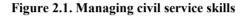
### Chapter 2.

### Towards a highly skilled civil service

Building and managing a civil service with the right skills requires a new look at public employment and management policies and frameworks, and at how people are managed in civil service. This chapter looks at the results of a recent survey on civil service management and reform to identify current practices and promising innovations in public sector people management. This includes specific focus on tools and methods to understand and identify skills gaps in the civil service, and ways to fill these gaps through targeted recruitment by promoting strategic learning and development. This chapter also looks at ways to ensure a highly skilled public sector workforce finds a home in organisations which are ready to put those skills to use.

The Statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

The first part of this report identifies four broad skills groups required for civil services to be effective: skills for policy development, for serving and working with citizens, for developing contractual relationship with third party service provides, and for managing through collaborative networks. Moving from skills definition to skills management requires a new look at public employment and management policies and frameworks, and at how people are managed in civil service. This part of the report is organised around four themes (Figure 2.1). The first step is to determine what tools and methods are available to understand and identify skills gaps in the civil service. Once gaps are identified, they can be filled through either bringing people with these skills into the organisation (focus on recruitment) or developing these skills within the existing workforce. A highly skilled public sector workforce will only produce results if people with the required skill sets find a home in organisations ready to put those skills to use.





Source: Author's own design.

The bulk of this section will be supported by the analysis of data extracted from the 2016 survey on strategic human resource management in central/federal governments of OECD countries (SHRM, Box 2.1), and case studies collected through the OECD's Public Employment and Management Working Party over the summer/autumn of 2016.

### Box 2.1. 2016 survey on strategic human resources management in central/federal governments of OECD countries

The OECD has traditionally collected quantitative and qualitative data in the fields of public employment and human resources management (HRM). These data have been in high demand and have been used by both national governments and international organisations for comparative purposes. These data are unique at the international level, and fundamental in creating a solid basis for comparative analysis across OECD member countries in the field of government HRM and civil service reform strategies. The survey constitutes a strategic input to all OECD work on public employment and management. The data also constitute a significant part of Government at a Glance and are seen as increasingly strategic by OECD countries.

A new version of the survey was run in 2016 in order to address new demands from member governments. The main focus was HRM practice and institutions in central public administration at the federal/national government level. It was complemented by two additional surveys: one on civil service composition and one on compensation of civil servants. All of these surveys will contribute to the 2017 version of Government at a Glance.

In 2016, the SHRM questionnaire was completed by senior officials from ministries/agencies with responsibilities for public employment and management of the civil service in all OECD countries, and three accession countries (Colombia, Costa Rica and Lithuania). Following data collection, the secretariat undertook a process of data cleaning to ensure that data were valid.

# Determining skills needs and gaps: Competency management and workforce planning

Determining the skills needed to meet current and future priorities, and assessing the gaps in the current workforce, are fundamental steps for strategic workforce planning. However, there are many challenges. A good analysis of current workforce capability is necessary to identify strengths and weaknesses, and while most OECD countries have defined a common skills and competency profile for their civil servants, it is not apparent if they are able to clearly map which of these skills are abundant, where they are distributed, and where gaps exist. This suggests a need to map and track skills availability through, for example, skills audits and capability reviews, employee databases, and the definition of professions.

Bringing a future-oriented view of skills into human resource (HR) planning raises a second set of challenges. As discussed above, the digital transformation, calls for open and innovative government, and the speed at which citizens expect results today require different skill sets from those needed in the past. As activities such as tax collection are transferred to online systems, associated skill sets become increasingly digital. The balance of work may move from lower skilled claims processing to jobs higher on the value chain, such as complex case resolution and fraud detection, in addition to the skills needed to design and run the IT systems. Simply doing succession planning means organisations replicate the skills they needed in the past without preparing for the future.

This section will look at how OECD countries are identifying current and future skills needs and assessing their current workforce's capabilities against these needs. It makes the following key points:

- Most OECD countries have articulated a strategic and forward-looking vision for their public sectors that recognises the need for highly skilled civil servants to drive public sector performance.
- The use of competency frameworks is a clear trend in OECD countries, with a primary focus on leadership, behavioural and cognitive competencies. These are important cross-cutting competencies that should be complemented by professional expertise in specific subject matter areas.
- Bringing these themes together in future-oriented workforce planning remains a core challenge for public sector HRM. Workforce planning driven by skills and competencies, instead of numbers and costs, is essential to ensure both capacity and capability considerations are factored into HR decision making. This suggests the need to develop better data on workforce skills, which are rarely available in civil services of OECD countries, as well as foresight capacity in order to ensure that the workforce keeps pace with the fast pace of technological and social change.

#### Civil service strategic vision

In 2016, a significant majority (27) of OECD countries reported articulating a strategic medium to long-term vision for the civil service. The most common element mentioned in these visions was the need for a skilled and high capacity civil service (Figure 2.2). While these statements and strategies do not go into much detail, they often include references to ethics and probity, performance orientation, openness in terms of accountability and mindset, and common culture and values. This is often framed within the context of digital transformation, and the role of the civil service in developing a more open, innovative state (see Box 2.2 below).

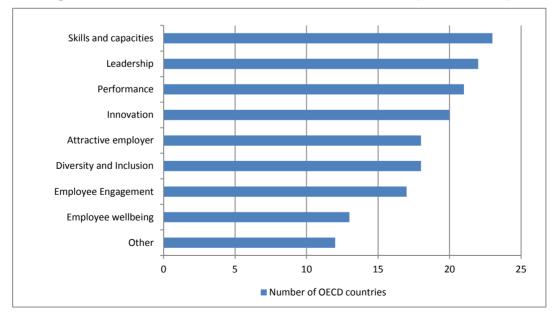


Figure 2.2. Elements mentioned in civil service vision statements (OECD 35, 2016)

*Source*: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

#### Box 2.2. Civil servant attributes highlighted in government strategies

**Chile's** presidential instruction on good labour practices regarding personnel development aspires to a modern and innovative state and calls for civil servants who are prepared to contribute their experience and motivation to improve processes, goods and services of the state. The statement expresses a need to revalorise public service by implementing good people management, to ensure that the public workforce is abundant in attributes such as merit, efficiency and performance, innovation, responsibility, probity and commitment to democratic principles www.serviciocivil.gob.cl/sites/default/files/gabpres 001 2015 instructivo bpl.pdf.

Estonia's white paper on personnel management calls for a civil service this is:

- Open (includes mention of ethical behaviour, transparency and accountability, relates to judgment, probity, and abilities to organise information and communication in proactive and simple ways to citizens).
- Effective and efficient, (includes mention of professional and dedicated staff, leadership, motivation).
- Competitive and adaptable (includes mention of competitive employer, able to retain talent, balance of job security, values orientation, innovation).
- Unified (includes mention of policy coherence, diversity, common core competencies across ministries).

**Finland's** 2001 government decision in principle on state personnel policy line identifies basic values of the state administration as: effectiveness, quality and expertise, the service principle, transparency, trust, equality, impartiality, independence and responsibility. The strategy recognises the digital transformation as a key driver that requires skills orientation to people management, alongside mobility and innovation. The strategy is likely to be updated in the near future.

Ireland's Civil Service Renewal Plan strives to achieve a civil service that is:

- Unified: implies cross-cutting skills and collaborative skills to achieve joined up solutions.
- Professional: looks at the skills needed and their balance, particularly through diversity and inclusion, and a reinvestment in the development of skills for civil servants.
- Responsive: looks at strengthening professional expertise in corporate functions, expanding career and mobility opportunities, investing in project management capacity and expanding ICT capacity to be more agile and flexible.
- Open and accountable: suggests a civil service that learns from others, communicates, and accounts for its actions.

**Lithuania's** 2030 progress strategy calls for performance-driven civil servants who have the skills to develop and implement strategies, continuously monitor global trends, and creatively apply best practices. It calls for a governance culture that is performance and efficiency driven, based on the principles of co-operation and consensus.

**Mexico's** National Development Plan: Programme for a Close and Modern Government, positions a skilled workforce as essential for better service delivery and productive, efficient and effective governance. It calls for HRM to develop and incentivise professional, committed, and productive civil servants who are oriented towards a new culture of service to society that reinforces the credibility, stability and efficiency of the government.

#### Box 2.2. Civil servant attributes highlighted in government strategies (cont.)

**Sweden's** public sector employer strategy highlights development and innovation, attractiveness and leadership, and seeks to strengthen these attributes in an agile, flexible and values-driven civil service. Innovation suggests the need to emphasise openness and learning; attractiveness highlights the need to attract the right skills to the public sector; and leadership emphasis active collaboration and the ability to manage change.

The United Kingdom's civil service workforce plan presents a range of actions linked to support three broad priorities for the civil service by 2020: increase commercial capabilities, be world leading in terms of digital transformation, and improve diversity and inclusion. There is an emphasis on collaboration and on opening up jobs in the civil service to people with more private sector experience. This is supplemented with a leadership statement focused around being inspiring, confident and empowering.

*Source*: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

In most OECD countries (21), these strategies are endorsed at the political level, and their development usually takes into account internal and/or external forecasting. In addition, countries such as Estonia and Finland involve senior management in the development of the strategy, while 11 countries, such as the Netherlands (Box 2.3), Slovak Republic, Sweden and the United States, go further by including input from all civil servants (Figure 2.3). Once established, the strategy is reported on in most countries, while only 11 countries hold senior management directly accountable for results.

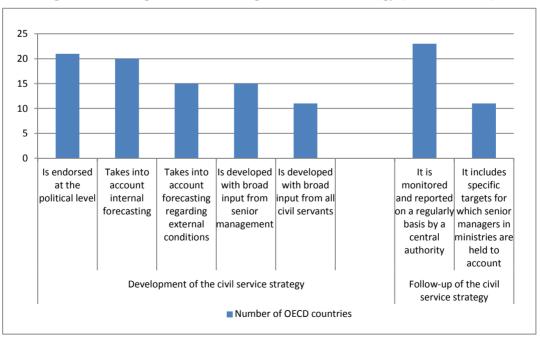


Figure 2.3. Development and follow up of civil service strategy (OECD 35, 2016)

*Source*: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

#### Box 2.3. Developing the civil service vision in the Netherlands

In the Netherlands, the HR Strategy 2020 for Central Public Administration was developed in an interactive process between October 2011 and March 2013. The highlights were included in the reform agenda of the new Minister of Housing and Central Public Administration in May 2013.

The process of development started with an in-depth analysis of internal trends and forecasts of personnel development, and external economic, social and technological trends. These included labour market, labour relations and labour conditions, as well as trends that would influence the policy areas and operational management of central public administration.

The Directors of HR and Organisational Development of all ministries, chaired by the director of the central department for civil service of the Ministry of Interior, were responsible for the development of the Strategy 2020. This group met monthly during the first half of 2012 to discuss various areas related to the strategy. Each meeting was prepared by the programme leader from the Ministry of Interior, together with members of this group and external experts. One of the meetings was with the strategic advisors on policy areas of the ministries. The secretaries-general of the ministries and their directors for operational management were asked in individual interviews for their image of the future, and were involved in steering boards for their agreement during several phases of the process.

The strategy began to take shape as a PowerPoint presentation with a lot of background analyses and information, and focused on the main challenges and basic assumptions for future HR-policy development for specific areas. In summer 2012, groups of experts from the ministries and agencies further developed each area to come up with shared ideas and to identify the policies in each area and the inter-connections across areas that needed to be successful.

The evolving presentation was adjusted and expanded in order to be used internally by each ministry. In September 2012, a group of young people from outside the public administration was asked to critically reflect on the draft HR-strategy 2020. In October 2012, the final draft interactive presentation of the HR Strategy 2020 was approved by the directors of HR from all ministries, their directors of operational management and the secretaries-general.

A draft policy paper on the HR Strategy 2020 was developed and posted on the internal website of central public administration in order to engage all civil servants in discussions on the strategy.

Individual civil servants, as well as groups or departments from all over the central public administration, works councils and unions, sent their responses and suggestions.

Finally, the (political) highlights became part of the reform agenda in May 2013. A flyer and a video were made to inform all civil servants.

The HR Strategy 2020 continues to provide the framework for policy development in specific HR areas or topics, and after several years a process to update the strategy will be launched.

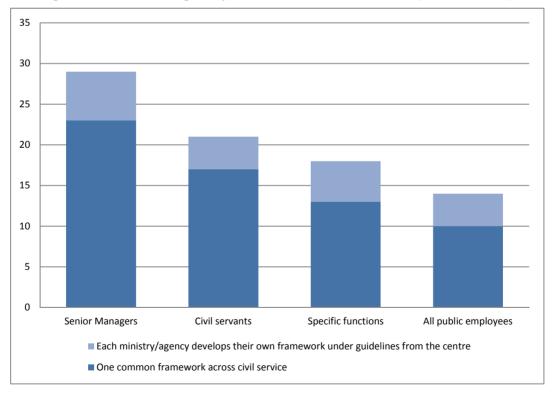
*Source*: Provided to the OECD by the Ministry of the Interior and Kingdom Relations, Directorate General for Public Administration, Department for Civil Service.

#### **Competency frameworks**

While civil service strategies provide a long-range vision of the kind of civil service needed (e.g. open, innovative, professional, ethical), most countries have established a competency model or framework that translates these broad ambitions into the common skills, knowledge and behaviours required of civil servants to achieve these ambitions. Since the OECD published a report on competency management in 2011 (OECD, 2011), a significant majority of OECD countries have moved towards the competency management of their civil servants.

Developing competency profiles and integrating competency management is a way of managing the workforce in terms of skills, competencies and capability, as opposed to numbers and costs. Furthermore, developing a common competency system across government ministries and agencies can help to establish a common language around capability, which can lay the groundwork for mobility and talent management. Once the right skills and competencies are identified, these can provide the basis for the assessment of individual civil servants and can inform their development and career progression. Furthermore it can provide the basis for organisational capability assessments as an input into workforce planning and development strategies.

In OECD countries, common competency frameworks are being used, especially for the highest levels of leadership: 23 OECD countries have a common competency framework that highlights the kinds of leadership skills expected from public managers, compared to 17 OECD countries that report having one centralised competency framework for all civil servants (Figure 2.4). This is part of an ongoing trend in OECD countries to manage the senior executive group as a separate and centrally managed cadre, and to reinforce the transversal leadership qualities expected from this group.





*Source*: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

The most frequently mentioned competencies suggest all civil servants are expected to be ethical, action-oriented leaders who can work strategically through teams and communicate to solve problems (Figure 2.5). This shows an increasing number of OECD countries are expecting their civil servants to take a proactive approach to their jobs, and is a departure from the traditional view of the compliant bureaucrat who dutifully applies the law.

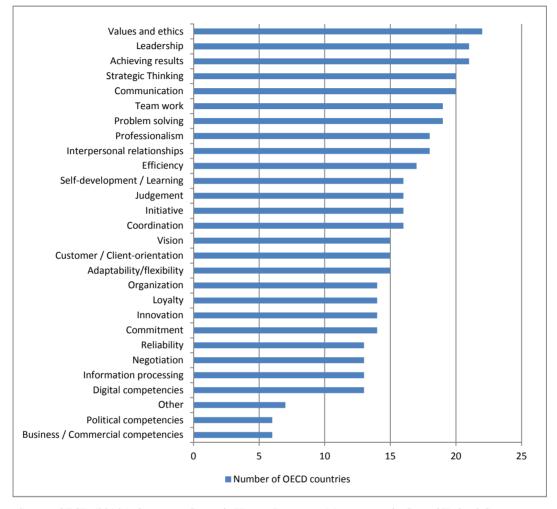


Figure 2.5. Competencies highlighted in competency profiles (OECD 35, 2016)

Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

While the competencies highlighted suggest a welcome focus on behaviours that challenge traditional notions of bureaucracy, many of the skills highlighted in the first part of this paper are found less often in such frameworks. Only six countries identify commercial or business skills within their competency frameworks (Chile, France, Israel, Switzerland, United Kingdom, United States), and six identify political competence (Chile, Estonia, Korea, Netherlands, Switzerland, United States). This may reflect the nature of most competency frameworks, which tend to focus on cross-cutting behavioural and cognitive skills, such as teamwork and strategic thinking. Nonetheless, including competencies related to political awareness and commercial understanding can help to send clear signals about expectations to civil servants. Box 2.4 shows how Switzerland structures its competencies, which include many commonly found across all countries, as

well as "effective action in the political context", "entrepreneurial thinking and action", and "networked thinking".

#### Box 2.4. Competencies for civil servants in Switzerland

The competency model of the Swiss federal administration is made of up of 10 competencies grouped under management, personal and social competencies as follows:

- **Management competencies**: leadership, people management, effective action in the political context, strategic thinking and action, change management, entrepreneurial thinking and action.
- **Personal competencies**: personal responsibility, loyalty, focus on objectives and results, ability to cope with stress, self-reflection, capacity for learning and changing, analytical and conceptual thinking, networked thinking.
- **Social competencies**: ability to communicate, ability to deal with criticism and conflict, ability to work in a team, service orientation, diversity management.

Each competency is printed on a card that includes a definition of the competency, various dimensions which give the competency tangible relevance, and a statement of the kinds of behaviours that demonstrate this competency. For example:

#### **Effective action in the political context:**

Effective action in the political context refers to the ability of individuals to analyse the political context in its full complexity, to recognise opportunities for taking action, and to consider and take advantage of the dynamics of political processes to achieve the goals that lie within the scope of their own responsibility

- Dimensions: Political sense, ability to act in the political process, ability to forge consensus and compromise, focus on stakeholders, public appearance skills.
- Behaviors: Analyses the political context and takes advantage of opportunities to act. Considers political processes in order to achieve objectives within scope of own responsibility.
- Keeps up with political developments and deepens own understanding of events.
- Takes the political process into account in the performance of own tasks.
- Puts forward own suggestions to help reach a consensus or compromise.
- Knows the needs and expectations of political stakeholders, networks effectively with the political environment.
- Represents own administrative division plausibly in wider political and media circles.

*Source*: Confédération Suisse (2013) Competency Model of the Swiss Federal Administration. Accessed electronically, 01/08/2017: <u>www.epa.admin.ch/dam/epa/fr/dokumente/dokumentation/publikationen/370\_k</u> ompetenzmodell\_e.pdf.download.pdf/370\_kompetenzmodell\_e.pdf.

#### Competencies and skills in workforce planning

As more countries move towards competency management in recognition that the quality of the workforce is as important as the quantity and cost, a key question is whether civil services are able to map the skills and competencies that exist within their

current workforce to understand current capability and identify gaps. This is a core task of strategic workforce planning, and while OECD countries continue to use these tools, there is little evidence that competencies and skills are being incorporated into workforce planning in a systematic and co-ordinated fashion. For example, it seems few countries have the means to understand the composition of their workforce in terms of skills. Many OECD countries do not have access to aggregated data on the education levels or specialisation of their workforce, let alone skills acquired through experience or less formal learning. While some countries have expressed a desire to build a "skills inventory" of their civil service workforce, it is not clear what criteria would be used to develop this tool. The French government has developed a common dictionary of competencies that aims to break down all government jobs with a view to eventually mapping the public sector workforce (Box 2.5).

### Box 2.5. The French Interdepartmental Directory of State Occupations and competencies dictionary

The French Interdepartmental Directory of State Occupations (Rime), created in 2006 and updated in 2010 and 2017, aims to precisely identify the jobs that enable the state to carry out its mission to serve its citizens. All of the state's jobs are listed, which represents 2.5 million people. It includes jobs occupied by the incumbents, as well as those held by contract workers, whether civilian or military. This tool is very valuable for initiating the predictive management of jobs and skills and defining the strategic HR policy actions to be carried out to accompany the foreseeable evolution of missions and professions. One of the major objectives of the 3<sup>rd</sup> Rime edition, published in 2017, is to make jobs of the state even more understandable at an interdepartmental level, and to establish a common language for all the state's services. This new edition lists 282 reference jobs divided into 28 functional domains. For each reference job there are the associated skills, competencies and knowledge required. Managerial skills and relational skills (*savoir-être*) were newly added in this 3<sup>rd</sup> version.

To further enhance the use of the Rime in personalised HRM, it was supplemented in 2011 by an inter-ministerial dictionary of the competences of the trades of the state (DICo), which brings together all of the skills appearing in the Rime. The dictionary can have multiple purposes, according to the user:

- For the recruiter, the dictionary gives guidelines to write a job card or to receive a candidate.
- For the career counselor, it is useful to establish the skills profile of the interviewee.
- For the manager, it is an interesting contribution to the assessment of skills in the annual professional interview.
- For any agent wishing to build his/her professional career to be better positioned in terms of skills needed to evolve.

Skills are grouped into three sub-groups: 102 conceptual know-how competencies (*savoir-faire*), 21 relational skills (*savoir-être*) and 40 contextual knowledge categories (*rubriques de connaissances*).

The DICo will be updated within the second semester of 2017 in order to correspond to the last Rime edition.

*Source*: Provided to the OECD by France's Directorate General for Administration and Public Service (DGAFP).

Strategic workforce planning continues to be a central process to identify and address skills needs and gaps, although more and more OECD countries appear to be developing the capacity for planning within each public organisation. Only 8 OECD countries apply a centralised process to workforce planning, while 20 countries leave the design of the framework to the discretion of the different organisations. (Figure 2.6).

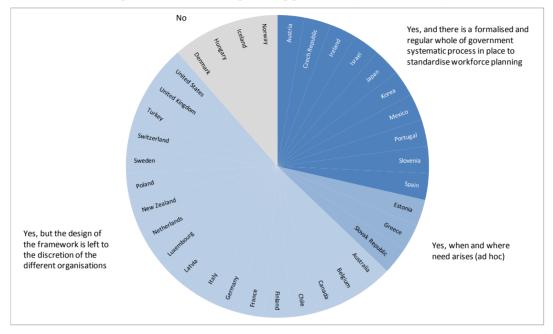


Figure 2.6. Workforce planning processes (OECD 35, 2016)

Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

Workforce planning in the majority of OECD countries begins with an analysis of an organisation's strategic objectives, assessment of current HR capacity, and possibilities for restructuring and recruitment. Only around half of OECD countries actively consider the impact of technological changes on their workforce as part of the planning process, and even fewer take into account the possibilities for outsourcing, the availability of skills in the national labour market, or co-ordination across various government organisations, for example, to share skills that are in short supply (Figure 2.7). This raises questions as to whether workforce planning is being done with foresight of future shifts both in terms of demand for skills (shifting skills needs, technological change) and in terms of supply (national labour market, outsourcing, etc.). Furthermore, few countries appear to link their planning processes to training and development opportunities, suggesting that in many countries, workforce planning may still be driven primarily by headcount and budget, rather than the quality and skills of the workforce.

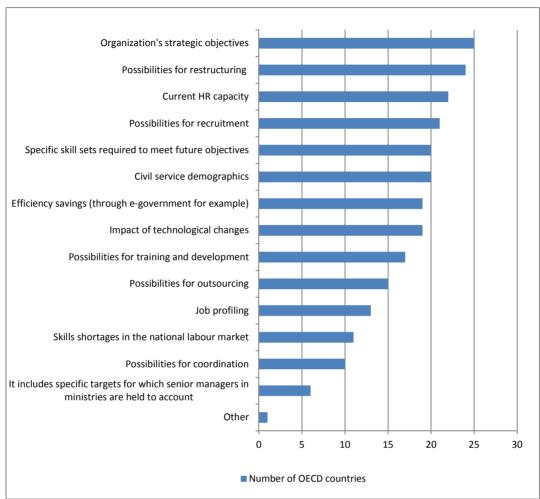


Figure 2.7. Workforce planning aspects explicitly considered (OECD 35, 2016)

*Source*: OECD (2016A), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

Germany has made a significant effort to assess the demographic changes both within the civil service and across its citizens and residents. This has resulted in a governmentdriven, but broadly participative effort to develop demographic strategies for its workforce, including in the civil service. The civil service component of this strategy is discussed in Box 2.6 below, and presents an example of how one country is integrating workforce planning with much broader societal changes, including ageing and diversity, with a view to securing long-term capacity and capability.

## Box 2.6. Demographic HRM strategy at the German Federal Ministry of the Interior

"In order to secure a skilled workforce and to recruit the next generation of qualified workers we need a demographics-based jobs and personnel policy, modern and family-friendly working conditions as well as partnership-based staff representation."

This is the wording used in the Coalition Agreement to describe the tasks and objectives for the German federal public service in the coming years. "Demographics-based" actions point to the pressure facing public service employers who must react to demographics-related changes in their personnel structures and in the broader workforce. By 2030, Germany is expecting a 27% increase in population over 67 years old, and a decrease of 6.9% of the working age population. Germany's population is also becoming more ethnically diverse. Within the Federal Administration, the average age of employees is also rising, and a high level of retirement is expected by 2030. This presents challenges and opportunities for Germany's labour force and its public employment systems.

The Federal Government of Germany has taken on this challenge: In 2011, it presented a report on demography, and in 2012 it published a comprehensive demographic strategy. The report described the demographic change and its impacts on Germany in the medium and long term. The demographic strategy, "Every Age Counts", aims to take advantage of the opportunities offered by population trends. It described for the first time all the fields of action that are important for making policy in response to demographic change. On this basis, the Federal Government launched a dialogue with representatives from every level of government, from the private sector, social partners, the research community and civil society. Joint working groups formulated concrete approaches and presented their initial results to the public at the Federal Government's demography summit in May 2013.

On 14 January 2015, the Federal Government decided to follow up on this approach and further develop its demographic strategy under the heading "Greater prosperity and better quality of life for all generations". In doing so, the Federal Government increased co-operation with its partners in a total of ten working groups, including one focused on "the public service as an attractive and modern employer". The key objectives of this working group are:

- Ensuring that the strengthening of knowledge in public administration occurs promptly.
- Expanding family-friendly work practices.
- Ensuring that employees' ability to work is compatible with different stages in life.

The process has been evidence-informed, drawing on, for example, employee surveys, workforce data and statistics, and surveys of students preparing to enter the workforce. In this context, the following actions, among others, are being advanced with the intention of ensuring the timely transfer of knowledge and promoting the potential of employees, their skills and expertise:

- Strategic personnel planning aligned to demographic requirements.
- Establishment of a central job pool of all federal ministries and rotation programmes to promote a diversity of assignments, employee development and more workforce agility.
- A greater focus on training, opportunities for further education, skills development and information learning through work assignments or e-learning.
- Increased recruitment of skilled employees (joint web portal for all three levels of government) with an additional emphasis on increasing the number of employees with migrant backgrounds. This also includes a focus on workplace inclusion policies.

### Box 2.6. Demographic HRM strategy at the German Federal Ministry of the Interior (cont.)

- Optimise family friendly work conditions by ensuring flexible working conditions are available (part time, tele and mobile working).
- Raise the retirement age to 67, and invest in health promotion at work, including a pilot project on long-term working accounts.

Source: Provided to the OECD by the German Federal Ministry of the Interior.

#### Assessing skills gaps and training needs

The assessment of training and development needs in OECD countries provides additional insight into how countries assess their civil service capacity and skills gaps. Figure 2.8 suggests a majority of OECD countries identify training needs from the priorities and programmes of government, and through performance evaluations of employees. In some countries, self-assessment supplements this analysis. Few countries go beyond this basic approach to link training to workforce planning, or take into consideration the views of stakeholders beyond the civil service. Only four countries (Australia, Belgium, Canada and Hungary) report using horizon scanning to inform skills development. Training and development is further discussed below.

Relying on performance evaluation as the primary method of identifying training needs can have the negative effect of positioning training as a remedy for low performance, instead of as a fundamental component of a future-oriented learning culture. Similarly, an assessment of current government programmes and priorities focuses on immediate short-term needs, and suggests most training is linked to updating information (e.g. informing staff of a new policy) rather than on developing employee's broader skill sets. More future-oriented approaches linked to workforce planning and horizon-scanning appear to be used less often.

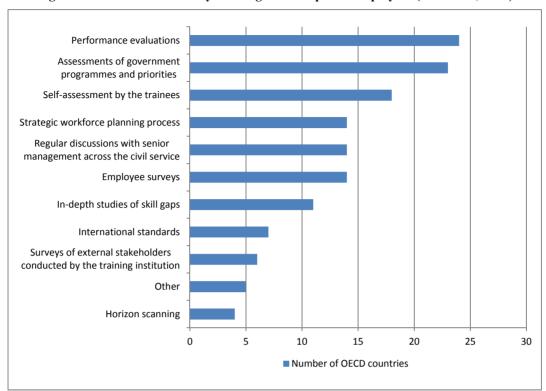


Figure 2.8. Methods to identify training needs of public employees (OECD 35, 2016)

*Source*: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

The United States and the United Kingdom have both recently looked at their skills shortages and undertaken an institutional analysis of the gaps and potential approaches to their resolution. In the United States, the Government Accountability Office's (GAO) 2015 report reviews progress made on closing mission critical skills gaps and considers additional steps needed to better identify and address skills gaps (US Government Accountability Office, 2015). This review results in recommendations on the methodology, data and metrics necessary to better identify and address skills gaps across the US federal government.

#### Box 2.7. Closing skills gaps in the US Federal Administration

The US Government Accountability Office (GAO) first added strategic human capital management to their high-risk list in 2001. In their 2015 update, they noted that while the Office of Personnel Management (OPM) and agencies had made strides in developing an infrastructure for identifying and addressing skills gaps, they needed to do additional work to more fully use workforce analytics to identify their gaps, implement specific strategies to address these gaps, and evaluate the results of actions taken so as to demonstrate progress in closing the gaps. Mission critical skills gaps were also a factor in making other areas across government high risk. Of the 34 other high-risk areas covered in the GAO's 2017 report, 15 areas,<sup>1</sup> such as IT management, acquisitions, and management of oil and gas resources, had skills gaps that played a contributory role.

#### Box 2.7. Closing skills gaps in the US Federal Administration (cont.)

The OPM has introduced various measures in recent years to address skills gaps concerns, including a data-driven multi-factor model for identifying government-wide skills gaps in mission-critical occupations. This model looks at indicators such as two-year retention rates, quit rate, retirement rate and applicant quality for various occupations to categorise risk levels from 1 to 5. This approach identified six groups of high risk mission critical occupations (MCO): acquisition, audit, STEM (science, technology, engineering and mathematics), HR, economist and cyber. Actions intended to address identified skills gaps include:

- Leadership commitment: The Chief Human Capital Officers (CHCO) Council is made of up CHCOs from 24 federal administrations to advise and collaborate with the OPM and other stakeholders to create human capital management strategies that attract, develop and retain a high performing, engaged and diverse federal workforce. The OPM has worked with the CHCO to provide the strategic direction necessary to close over 48 unique agency-specific gaps. Activities have included the establishment of governance structures, four-year assessment cycles, agency specific action plans, cross collaboration networks, and quarterly monitoring processes.
- Capacity: Agencies have dedicated over 150 personnel from across government to work on the skills gaps effort, organised into Federal Action Skills Teams (FASTs) supported by the OPM. Each agency and government-wide MCO has a dedicated FAST in place with regular meetings. Each member of the FAST has specific responsibilities, such as staffing and hiring, and training and development. The OPM has encouraged agencies with similar high-risk MCOs to share best practices, and has provided guidance and training on the multi-factor model, root cause analysis, developing an action plan, developing metrics, and quarterly reporting.
- Action plan: The OPM has required agencies to develop and submit action plans with strategies linking to root cause analysis and milestones with outcome-oriented performance metrics. The OPM developed an action plan template that agencies must use when submitting action plans to ensure that the requirements are met.
- Monitoring. The OPM Director meets quarterly with the Government-wide MCO CHCOs and Occupational Leaders to ensure that they are meeting their milestones and metrics. Agencies are also required to submit a quarterly report to OPM on their progress. OPM has been providing on-going data support to all agencies and the Government-wide teams. OPM also briefs the CHCO Council regularly on agency progress and uses the quarterly reporting template submitted by agencies to monitor barriers or issues that may be affecting progress.
- **Demonstrated Progress**: it is still early, and evidence for demonstrated progress is minimal, but the strategies that have been put in place are expected to lead to demonstrated progress at the end of the four-year cycle. OPM has put in place mechanisms to monitor agency-specific efforts and progress towards achieving goals.

Sources: Provided to the OECD by the US Office of Personnel Management.

US Government Accountability Office (2017) Strategic Human Capital website, <u>www.gao.gov</u> /highrisk/strategic\_human\_management/why\_did\_study (accessed 01/08/2017).

US Government Accountability Office (2015a), OPM and Agencies Need to Strengthen Efforts to Identify and Cose Mission-Critical Skills Gaps.

In the United Kingdom, the House of Commons conducted its own enquiry into the progress of the UK Capabilities Plan, which aims to "transform the civil service into a high-skilled, high-performance organisation that's less bureaucratic and more focused on delivering results" (see Box 2.8). Their analysis results in recommendations to develop and carry out standardised skills audits of civil service organisations and articulates support for the creation of a national Civil Service Leadership Academy.

#### Box 2.8. Skills and capability in the UK civil service

Since 2012, the UK civil service has been taking steps to align their skills strategy with their civil service strategic vision. The 2012 Civil Service Reform Plan identified capability gaps that must be addressed in order to meet the plan's objectives of reducing public expenditure while meeting citizen's growing service expectations. The plan called for a rethinking of the way services are delivered, with more services commissioned from the outside and a much stronger emphasis on digital. It recognised that implementation would depend on effective project management and leadership. In 2013, the UK civil service published a capabilities plan for the whole civil service which identified four priority skills gaps central to supporting the 2012 civil service reform:

- Leading and managing change: the UK civil service annual staff engagement survey (the People Survey) results indicate a need to be better at leading change. Change is a constant feature of the modern civil service. The plan seeks to improve the management of these changes and ensure that teams are equipped to embrace new ways of working.
- Commercial skills and behaviours: ensuring that many more civil servants feel confident and competent in a world where services are increasingly commissioned from the private and voluntary sectors. The plan encourages civil servants to take decisions and assess risk based on knowledge of markets, and be judged on whether taxpayers' money has been spent wisely to deliver the right outcome.
- **Delivering successful projects and programmes**: increasing the ability to deliver the government's priorities, "right first time", drawing on project management disciplines and methodologies to achieve predictable, consistent, robust results.
- **Redesigning services and delivering them digitally**: ensuring that the civil service is equipped to redesign services around the user in order to improve delivery, value for money and agility for the future, using the power of digital.

The 2013 plan lays out ways to build, buy and borrow the capabilities needed. Building internal capabilities through learning and development, buying through contracting and/or recruiting, and borrowing through loans between departments and secondments with the private sector.

These strategies are reinforced in the UK's civil service plan 2016-2020, which sets out five areas for action. The first looks at opening up recruitment across the civil service, to attract and retain people of talent. The second looks to build career paths through professional development frameworks, to map out key skills and experiences and ways to aid their development. Leadership is the third area of focus, and the civil service will develop a Leadership Academy to address this challenge. The fourth area focuses on employee inclusion with a goal for the civil service to become the most inclusive employer in the United Kingdom. Finally, the civil service is looking at pay and rewards frameworks with a view to increased flexibility for market attraction of scarce skills.

*Source*: UK Cabinet Office (2013), *Meeting the Challenge: A Capabilities Plan for the Civil Service*, www.gov.uk/government/uploads/system/uploads/attachment\_data/file/536961/civil\_service\_workforce\_st rategy\_final.pdf.

Other OECD countries have also undertaken skills gaps analyses at various points in their civil service strategy development or workforce planning. Australia, through its leadership and core skills strategy, provides a framework for organisations to conduct skills analysis, supplemented by expert reports as needed. Canada is combining high-level consultation with a focus on common business systems and data-driven departure forecasting to better integrate skills into its workforce planning and assessment. Finland has conducted surveys to identify skills gaps related to digital skills, and Trento in Italy has implemented various consultative and participative steps to identify skills requirements and develop a new competency model for its public employees (Box 2.9). These examples show the range of approaches taken and suggest the need to think systemically to combine multiple tools of analysis.

## Box 2.9. Skills gap studies and practices in Australia, Canada, Finland, and Trento, Italy

For the past five years, the skills needs and gaps of the **Australian** Public Service (APS) have been identified through broad consultation and research underpinning the APS leadership and sore skills strategies. The strategies seek to understand cross-APS skills needs and gaps by speaking to a wide range of stakeholders and using academic research and peak body insights to support and expand on these findings. Government reports, reviews and white papers provide insight into the skills needs and gaps of the APS. Skills needs are also determined through targeted initiatives for improvement. Examples include gender equality and diversity strategies.

The Government of **Canada** is currently taking steps to strengthen its ability to identify current and future skills requirements at the enterprise level, with deputy heads responsible for their own departments and agencies. Work is being done to advance the analysis to identify common future skills in some key domains (e.g. policy, science/regulatory, external/internal service delivery), and to complete a baseline analysis of common skills in specific occupational groups.

The adoption of the Common Human Resources Business Process (i.e. standardising processes across the public service), progress toward automation of transactional functions (e.g. simple staffing requests), and skills development within the human resources community itself will strengthen integrated business planning and allow human resources staff to focus more on planning, forecasting and analytical capacity to better support business objectives and outcomes. The Government of Canada is assessing the feasibility of expanding its current departure forecasting methodology to include occupational groups and departments to inform succession planning, and is in the process of identifying positions belonging to specific functional communities in order to identify potential knowledge gaps and develop future recruitment strategies. In addition, mature functional communities with dedicated resources exist for many occupational groups, where identified skills gaps and requirements inform both recruitment strategies and learning and development activities.

In 2016, the **Finnish** Ministry of Finance implemented a survey to assess agencies' current skills and map needed skills. Target respondents were civil servants working within digital government or with insight into needed skills. Findings of the survey included the wide gap of skills level among government agencies, the importance of managerial skills in digitalisation, and the need for more training and skills development. The results will be used for diverse HRM and HR Development purposes, including updating the list of shared skills within the government, and the development of top managers.

## Box 2.9. Skills gap studies and practices in Australia, Canada, Finland, and Trento, Italy (cont.)

The **Italian** public administrations are undertaking a spending review, and the Public Administration of Trento's (PAT) new HRM strategy seeks to promote a way of working that can save costs as well as enhance flexibility, work-life balance of workers and their well-being at work, particularly in the context of an ageing workforce. Trento's Strategic HR Development Plan (2015-2018) contains various actions to address these challenges, one of which is developing HR through skills audit and skills gap studies (competency management) to promote the mobility, flexibility and retraining of employees. One of the actions of this plan is to prepare a framework of competencies. To do this, the PAT conducted a survey for all permanent employees in 2015, which achieved a response rate above 80%, to identify and map technical and professional skills and attitude and behavioural competencies to different job titles and professional families. The work group then defined a scale to rate the mastery of competencies (from 1 to 5) in order to measure the gap between the level required and the actual situation. A set of measures are to be carried out to close this gap (for instance ad hoc training programmes).

*Source*: Information provided to the OECD by Delegates of the Public Employment and Management Working Party.

#### Attracting and selecting skills: Employer branding and targeted recruitment

Workforce planning can help to identify skills needs and assess skills gaps, and can result in a plan to fill these gaps, usually through the development or reallocation of the current workforce, or the acquisition of new employees with the required skills. Until recently, most OECD countries had implemented hiring freezes in the wake of the 2008 crisis (OECD, 2016b). Prolonged hiring freezes cause strain on organisations, which have little opportunity to renew their workforce to ensure the appropriate skills mix (OECD, 2011).

As OECD economies emerge from these difficult times and face high levels of retirement, many budgetary constraints remain. It is likely central government workforces will remain leaner than in the past. This suggests an urgent need to ensure hiring is undertaken with a careful assessment of the right skill sets needed to boost public sector capacity and productivity, and civil services and public administrations are able to attract people with these skill sets to their workplace. This section will look at the issues related to bringing in new employees to fill skills gaps. It makes the following key points:

- Although most OECD civil services indicate that they remain relatively attractive employers in the current job market, they also report difficulty competing for specific skill sets with the private sector. Understanding what attracts people to careers in the civil service can help to brand the civil service as an employer of choice.
- Merit-based recruitment processes have been a bedrock of professional civil services in most OECD countries for many years. However, some civil services may need to update their processes to open up possibilities for recruitment at all levels, quicken the speed of the process, and ensure selection is well attuned to future-oriented skills and diversity requirements. Fast track programmes are one way to reach out to specific skill sets which may be lacking. Some governments

are moving towards competency-based selection processes instead of relying on educational qualifications as the primary indicator of merit.

• Another fundamental aspect of attraction and recruitment relates to the terms and conditions of employment. Many civil services use common employment frameworks across various categories of employment. While this reinforces internal equity, there may be benefits in bringing an evidence-based and principled approach to the design of specific employment terms and conditions for specific positions or professions. This can be done to align aspects of the employment value proposition, such as pay and job security, with the requirements of the job and the conditions of the broader labour market.

#### Attractiveness and employer branding

In order to bring in new skills from the labour market, a first requirement is that people with these skills are attracted to the jobs available. Attractiveness of positions in the civil service is based on complex interactions between national and local labour markets, government compensation packages, and the overall perception of government as an employer and as a positive force in society. The SHRM survey asked respondents to indicate whether any trend can be identified in the overall attractiveness of their civil service as an employer. In general, the results are optimistic. Only 3 countries report decreases in civil service attractiveness over the last five years, while 11 report increases. Many countries base their statements on an increased number of applications for open positions, while others look to the results of independent assessments which identify and rate the top employers in a country.

A broad indicator of civil service attractiveness will mask attraction issues related to specific professions, functions, skills or organisations. Seven OECD countries report specific challenges attracting suitable senior level managers to posts, and most countries (25) report specific challenges in key professions. The most commonly cited gaps are people with specific technical skills in, for example, IT, health, engineering, commercial, and law. These generally reflect a difficulty in competing with the private sector for skill sets that are in demand by both sectors. It therefore appears that while many jobseekers see the public sector as an attractive employer, the public sector remains challenged when forced to compete with the private sector in tighter labour markets. As countries continue to move from crisis to recovery and labour markets begin to tighten again, these challenges may worsen.

In the context of tight resource constraints, the attractiveness of the civil service needs to be managed through active employer branding. Recognising the labour market competition for talent, civil services compete with all sectors for the best and brightest, especially in hard-to-recruit areas. Many of the skills highlighted in the framework above (business skills, network management, high-level service orientation) are exactly the skills in demand in private sector companies. Just over half of responding countries report having employer branding strategies and actively reaching out to potential recruits in a variety of ways. It appears most countries appeal to applicants' sense of duty to public service by highlighting meaningful and interesting jobs that contribute to the public good. Integrity and ethics, diversity and inclusion, learning opportunities and work-life balance are other features highlighted by a majority of countries in their recruitment material. Elements of the employer value proposition traditionally associated with public sector employment, such as job security, benefits and pensions appear to take a backseat, which suggests the public sector is undertaking a rebranding in many OECD countries (Figure 2.9).

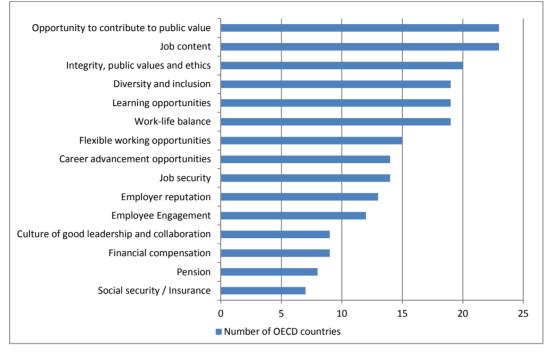


Figure 2.9. Elements highlighted in civil service recruitment material (OECD 35, 2016)

*Source*: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

Belgium's SELOR (Selectie Bureau van de Overheid) is responsible for central recruiting on behalf of over 150 employers, mostly at the federal level of the Belgian government. It develops an evidence-base through surveys to better understand the value proposition of their employment, to target the right candidates to the right messaging, and to support individual agencies in better designing recruitment programmes that fit their needs (Box 2.10).

#### Box 2.10. SELOR and employer branding in Belgium

SELOR is the Belgian federal administration's central recruitment agency which acts on behalf of over 150 employers. It is therefore a major player in employer branding at the federal level.

Since 2000, SELOR has conducted studies to better understand their employer value proposition (EVP), focusing on transversal elements within the federal functions. The annual comprehensive survey measures which building blocks are responsible for the fact that a candidate chooses a certain employer, or why somebody is eager to work for a current employer. The most recent study highlights the following top five factors:

1. **Competitive wage package**: SELOR conducts studies on the remuneration of federal civil servants in comparison to the private sector, with an aim to provide competitive wages, or to be aware of the wage difference, which can help inform other elements of the EVP.

#### Box 2.10. SELOR and employer branding in Belgium (cont.)

- 2. **Pleasant working atmosphere**: SELOR conducts an annual inquiry into employer branding of the federal administration. The answers of federal employees are compared to the answers of those who are not yet a federal employee. The 2016 survey puts pleasant working atmosphere in third place when the question is asked "what attracts one to the job": 70% or more of those respondents who are already civil servant states this element as vital, compared to 60% of the non-civil servants.
- 3. **Job security**: The public administration is one of the most secure employers in the national labour market. This factor is always rated as highly important to current and future employees.
- 4. **Interesting job content**: The societal relevance of public office is an asset. The 2016 employer branding survey puts this in fourth place when asked "what attracts one to a job": 60% of civil servant respondents state interesting job content, compared to 70% of those who are not (yet) a civil servant. Candidates want to do something "useful" and to work to support the public interest
- 5. **Good work-life balance**: The public administration scores highly in this respect. Many administrations work accordingly to the NWOW principles (new ways of working including flexible work times and places). The 2016 employer branding survey puts this in fifth place: 70% of both civil servants in service or those not yet civil servants state this as important.

Source: Information provided by the Belgian Federal Administration.

#### **Recruitment and selection practices**

Most OECD countries have long installed merit-based recruitment systems that set common standards for civil servants to meet through, for example, standardised testing. These systems were designed to ensure a high degree of professionalisation (as opposed to politicisation) of the civil service, and to ensure all applicants are provided with equal opportunities. While such systems respond to values of professionalism and equal access, they may underperform in a context of competition for particular skill sets. For example, standardised testing remains a common mechanism in a majority of OECD countries, but the question is whether the testing is appropriately adapted to the skills needed today. Can these common recruitment mechanisms be applied to specialist skills, or does their use prioritise generalist profiles? It is also not clear how good these mechanisms are at testing for the kinds of behavioural, social and cognitive competencies increasingly prioritised by OECD countries.

Merit systems developed in many OECD countries can also be rather slow to fill vacant posts. Among OECD countries, 17 report it taking, on average, longer than three months to fill vacancies at senior management levels; 15 countries report the same at middle management and 14 at professional levels. This has a negative impact on business planning and continuity, and when competing for talent in the labour market. Civil services are increasingly competing with other employers for the best and brightest, and it is possible many countries are losing out to organisations that can make quicker job offers than civil services.

#### Box 2.11. Government-wide efforts to attract skills in Korea

Since 1999, the Korean government has established an HR database (www.hrdb.go.kr) to support government-wide HRM. Currently, data of over 290 000 persons are accumulated, covering academic background, job career, permit, publications, and papers. The Ministry of Personnel Management (MPM) is in charge of updating and making use of the database, targeting the profiles of civil servants (above grade 4-5), high-level staff in public institutions and private companies, professors, and experts in diverse fields. Central and local governments, and public institutions may ask the MPM to suggest candidates for their vacancies, or they may directly search the database under MPM's approval.

After the MPM was established in 2014, the Korean government strengthened its efforts to attract talented skills into the government. The MPM hired a civilian expert as the manager to find the talented candidates demanded by ministries. The candidates hunted by the MPM were either encouraged to apply for job openings, or scouted to appointments by ministries. For example, lawyers with a professional background in the field of fair trade and international business were respectively recruited by the Korean Fair Trade Commission and the Ministry of Foreign Affairs. In 2015, the Korean government launched a portal (<u>www.injae.go.kr</u>) which combines over 11 200 government bodies' posting information, and the recruiting information began to be provided through major private job portal companies from 2016.

Source: Information from the Korean Ministry of Personnel Management.

The SHRM survey asks about measures taken to have more or less external recruitment. At the most senior levels, 11 countries are taking measures to encourage more, compared to only four countries that are actively reducing external recruitment. At lower levels of the hierarchy, most OECD countries are taking measures to increase or decrease levels of external recruitment. This is likely influenced by the ongoing impact of the crisis, and suggests the need to ensure the external recruitment taking place is done so with a clear strategy to address skills gaps, particularly skills that are harder to develop from within.

Recruitment will only help to address skills gaps if the merit-oriented systems are aligned and tuned to the specific skills needed. To do this, most countries (26) link recruitment to workforce planning. For example, in Australia, before considering any recruitment action, agencies must undertake a careful and objective analysis to identify whether the position needs to be filled, if it can be accommodated within the agency's budgetary limits, and if it is classified correctly. There are also issues around how increased expectations of diversity and representation impact merit-oriented recruitment systems. It is beyond the scope of this report to address all of these questions, but some hints may be readily available from Canada (Box 2.12).

#### Box 2.12. Targeting recruitment strategies in the Government of Canada

The Government of Canada has identified three strategic goals to guide its recruitment activities in support of a strong and productive workforce.

First, in response to the growing numbers of millennials shaping the workforce, the government is targeting young recruits who are reflective of the full diversity of Canada. Some key actions include:

- Strengthening post-secondary recruitment through a more co-ordinated and targeted annual campaign.
- A new web presence to strengthen the public service brand and support recruitment and retention.
- A high-flyer programme to attract top talent (e.g. Recruitment of Policy Leaders programme see Box 2.12).

Second, the government is encouraging innovation in recruitment and staffing through the introduction of new internship programmes, simplifying the job application process, and piloting new assessment tools. Embedded in these and other actions is the overarching goal of strengthening diversity by attracting and retaining larger numbers of Indigenous Canadians and other employment equity groups.

Third, the government is strengthening onboarding and retention through improved orientation and training sessions, networking, mentoring and immediate feedback from new hires. Under the Blueprint 2020<sup>1</sup> initiative to help guide the evolution of Canada's public service as a world-class institution, the government is making continued progress to harness modern workplace tools (e.g. mobile technology, collaborative workspace) and embrace new ways of working to support the goal of being agile, creative and innovative.

<sup>1</sup> Blueprint 2020: www.clerk.gc.ca/eng/feature.asp?pageId=349.

*Source*: Information provided by the Office of the Chief Human Resources Officer, Treasury Board Secretariat of Canada.

#### Attracting talent through special programmes

Skills gaps are also addressed through specific recruitment programmes which seek to identify the best and brightest in certain professions for higher-intensity development and faster progress up the hierarchical ladder. Across OECD countries, 17 report the existence of fast track or high-flyer programmes (Box 2.12); there is a great deal of diversity across these programmes. Some focus primarily on bringing new talent into the civil service, while others look within to identify promising talent for eventual promotion to management levels.

These programmes are often examples of the application of talent management principles to civil services. Talent management is defined by the Chartered Institute of Personnel and Development (CIPD) as "the systematic attraction, identification, development, engagement/retention and deployment of those individuals who are of particular value to an organisation, either in view of their 'high potential' for the future or because they are fulfilling business/operational-critical roles" (quoted in Australian Government, 2015: 1). In many ways, talent management builds on the common practice of performance management, but takes a future-oriented perspective. This requires identifying future potential as a separate element from past performance (Table 2.1).

Performance	Potential
An assessment of what has already happened in a past role or what is happening in a current role: Actual achievements Actual behaviours	A prediction of what might happen in the future in a more complex, ambiguous, larger role: Likelihood of success in delivering outcomes Likelihood of appropriate behaviours Likelihood of surviving and thriving

#### Table 2.1. Managing performance vs. potential

Source: Australian Government (2015), Australia Public Service Talent management Guide, www.apsc.gov.au/publications-and-media/current-publications/talent-management-guide.

These talent management programmes differ in size and scope. The UK example takes a broad scope with a view to supplying talent to a wide range of professional streams in the UK civil service. It offers 15 different schemes ranging from generalist to digital, economic, project delivery and HR specialists. The UK programme admits around 1 000 new recruits annually. Denmark's programme, on the other hand, takes on 16 current employees who have already demonstrated high potential for senior leadership positions. In all cases these programmes are highly competitive and thereby may ensure civil services remain attractive to top talent. For example, Chile's internships programme received over 5 000 applications for 371 positions; Poland's fast stream programme received 367 applications for 35 positions; while the United Kingdom receives, on average, 20 000 applications annually. The risk with all talent management programmes is it creates elites in the system to which greater opportunities are offered for development and advancement. Furthermore, tracking the success of these programmes in select OECD countries.

#### Box 2.13. Development programmes to attract talent in various OECD countries

The **Flemish** public service's HR agency initiated an internal fast-track talents programme in order to prepare civil servants for a job in middle management. Once employees with the ambition to become head of division put forward their candidacy after an interview with their manager, they were invited to several development-based tests. Based on the results of the tests and the candidate's portfolio, 25 talented employees were selected after discussion among management committees and the government organisations. Through a mix of learning activities, the participants were offered a learning experience lasting a year. Participation offers no guarantee of a job, and a selection process remains mandatory. However, it was the first time that a potential detection was undertaken on such a large scale by the Flemish Public Service. Women were especially encouraged to take part due to an important diversity aim to increase the number of talented women in middle management jobs within the Flemish Public Service.

The **Canadian** Recruitment of Policy Leaders (RPL) initiative focuses on recruiting exceptional professionals with diverse achievements and experience into mid and senior-level policy positions across the Government of Canada. Anyone with a post-graduate degree, record of academic excellence or policy experience can apply online during the campaign period. Making it into the pool does not guarantee a placement. However, the RPL has a very successful rate of placement as the candidates are assigned a mentor to guide them through the final stages of the hiring process. Mentors help candidates plan their timeline to begin work, explore options to find the right job, and even arrange meetings with the hiring managers responsible for making an official offer of employment to candidates.

## Box 2.13. Development programmes to attract talent in various OECD countries *(cont.)*

Since 1991, **Poland's** Lech Kaczyński National School of Public Administration has been tasked with the training and preparation of members of Poland's civil service corps, as well as more generally the cadre of higher-ranking officials in the country's administration. The school annually accepts up to 40 students who have passed four stages of examination on knowledge/skills, language, motivation/competencies assessment and interview. In addition, during the examination process a survey on voluntary activities is conducted to promote candidates experienced in unpaid work for the common good. After the 19 month training programme, the graduates are guaranteed employment in public administration at specific key posts identified by the Prime Minister. While attracting many university graduates, the government not only hires young talent, but has also earned an image as a good employer. It facilitates co-operation between politics and administration as the school's graduates work at all levels of governments, including both administrative and political positions.

**Denmark**'s topleader programme selects and develops top leader talents in the Danish state, so that they, in turn, can ensure through their leadership a public sector that is more efficient, productive and results-oriented. The programme is custom-designed for top leader talent, and includes in-class learning, inter-module projects and individual coaching. Pre and post-assessment tests track the uptake of programme learning, and objectively measure whether and how each and every participant has progressed. The programme consists of 10-16 module days, and each module includes a variety of learning methods such as classroom teaching, case studies, team exercises, group coaching and/or field trips.

**Estonia**: The Management Talents Programme (fast-track programme) was created with the aim of attracting young talented graduates from universities to start their career in the public service and help them grow towards becoming a future leader. The pilot programme was conducted in 2012-2014, and the second programme took place between September 2015 and May 2017. The participants are hired to their home ministry, pass several rotations to other organisations, participate in group development activities (an extensive development programme based on the competency framework of Estonian top civil servants, shorter training, workshops), and individual development activities (mentoring, coaching, job shadowing).

**France:** The Interministerial Cycle of State Management aims to create a talent pool of future top managers and to train senior deputy directors who are potentially able to become directors in the short term. It is developed by the ENA (Ecole Nationale d'Administration) and supervised by the Secretray General of the Government and Directorate General for Administration and Public Service (DGAFP). Participants are trained during 7-8 months to develop their management skills. Specific modules include becoming a director; managing efficiency and change; innovation and digital; communicating and convincing; and motivating, leading and developing a team.

**Israel:** The Civil Service Cadet Programme intends to build and train a management cadre that will catalyse change in the civil service. Each year, this cadre is identified, screened, and recruited into a six-year training and placement track, after which each cadet is placed in a key position in the civil service. This experience is characterised by an opportunity for the cadets to learn topics theoretically in the classroom, and afterwards be able to observe, experience and acknowledge these topics on the ground accompanied by various methods, such as study visits all over the country and abroad, encounters with people, organisations, perspectives and ideas within the society, simulations, case studies, workshops, and peer learning. After a two-year period, cadets are placed in a government ministry to work in two positions of influence over four years, during which time they build their network and work with other cadets and people in positions of influence, authority and leadership to catalyse change. Currently, cadets are placed in more than 20 ministries and sub governmental organisations on five different content clusters: HRM; social (health, welfare and education); regulations and economy; environment; and governance and macro. For more info see (OECD, 2017).

## Box 2.13. Development programmes to attract talent in various OECD countries *(cont.)*

United Kingdom: The Fast Stream is one of the largest graduate development programmes among OECD countries. In 2015, 21 135 applicants competed for 967 appointments in 12 different specialist and generalist streams. Once selected, the programme equips participants with the knowledge, skills and experience they need to be the future leaders of the civil service. Fast Streamers' personal development is achieved through a programme of carefully managed and contrasting postings, supplemented by formal learning and other support such as coaching, mentoring and action learning. The UK Fast Stream programme promotes diversity and inclusion and produces an annual report with data and analysis showing the range of applicants. This is a good example of data-driven HR analysis. In 2015, a report was produced to understand the factors behind the socio-economic patterning in the Fast Stream and why applicants from lower socio-economic backgrounds are less likely to apply and less likely to succeed. The research provided insight for the wider civil service and evidence to build on and make recommendations to improve socio-economic diversity. The report included recommendations to, among others, introduce a new, enhanced approach to measuring and monitoring socioeconomic diversity, establish clearer accountability for socio-economic diversity in the Fast Stream, and introduce enhanced data insights to adjust attraction and recruitment strategies (The Bridge Group, 2016).

**United States**: Since 1977, the Presidential Management Fellows (PMF) programme has matched outstanding graduate students with federal opportunities. The PMF programme is a leadership development programme at the entry level for advanced degree<sup>1</sup> candidates that has gone through many changes over the years. The programme attracts and selects the best candidates possible, but is designed with a more narrow focus: to develop a cadre of potential government leaders. It provides some sustenance during the first years of employment and encourages the development of leadership capabilities. The PMF programme aims to create a lasting bond as well as a spirit of public service, ultimately encouraging and leading to a career in the government.

<sup>1</sup>Advanced degree means a professional or graduate degree (e.g., master's, Ph.D., J.D.) (<u>www.pmf.gov</u>).

*Sources*: Case studies submitted to the OECD from delegates of the Public Employment and Management working party, and/or submitted through the 2016 Survey on Strategic Human Resource Management in Central/Federal Governments of OECD countries.

The Bridge Group (2016), *Socio-Economic Diversity in the Fast Stream*, <u>www.gov.uk/government</u> /publications/socio-economic-diversity-in-the-fast-stream-the-bridge-report (Accessed 01/08/2017).

OECD (2017a), Fostering Innovation in the Public Sector, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264270879-en.

#### Core civil service vs. flexible work contracts

In many countries, the central public administration employs workers under a variety of contractual relationships – not all who work in the central public administration are necessarily employed as civil servants, and not all civil servants are employed under the same arrangements. The kinds of protections and arrangements for civil servants differ from country to country. For the purposes of this discussion, civil servants are those employees who are covered under a specific public legal framework or other specific provisions.

Some countries report only civil servants employed at the central public administration level<sup>2</sup> (Canada, Italy, Korea, the Netherlands, Poland, Switzerland), whereas countries such as Sweden and Denmark prefer to hire the vast majority of their

public employees through private labour regulations. Given this diversity of contractual relationships, it may not be rare to find civil servants working side-by-side with employees on temporary contracts or on loan from other departments.

Significant differences exist in the way civil servants and other public employees are managed. Civil servants are generally subject to more job security (19 countries), more vigorous recruitment processes (19 countries) more opportunities for career advancement (18 countries) and different pay scales (17 countries).

These features were traditionally justified by the kind of work civil servants undertook in the name of the "public good", which demands higher standards for accountability, transparency, and ethics to reduce the risk of corruption and/or perceived conflicts of interest. Furthermore this requires some level of protection from political interference in staffing decisions to ensure that the civil service is able to "speak truth to power" and maintain legitimacy in the eyes of the public. For these reasons there has traditionally been a focus on transparent, merit-based recruitment and high job security to protect from politically motivated firing. This would suggest the assignment of civil service status should be based on principles related to the nature of the job (e.g. level of risk of corruption, political exposure) as opposed to the nature of the employer.

In some countries, there is evidence the kinds of contracts offered are based on a clear assessment of whether these jobs are core to the civil service and require the kinds of protections and obligations that come with such positions. Jobs that bestow the holder a certain level of public trust (e.g. managing significant public funds) and/or require policy advisory skills to "speak truth to power" would more naturally fall under civil service protections. There may be very good reasons for identifying certain types of skills that would be best contracted through different, more flexible, mechanisms. However, it is unclear whether strategic reasoning is driving the variation amongst contracts, or whether it is a more haphazard approach based on the historical development of public employment.

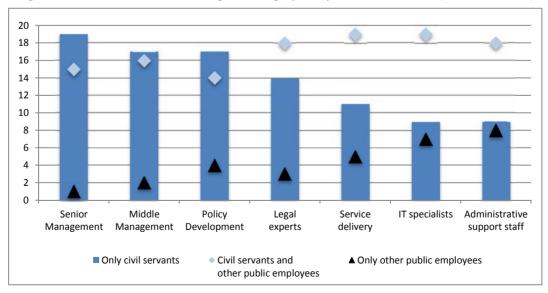


Figure 2.10. Civil servants or other public employees by role and function (OECD 35, 2016)

*Source*: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

While it is very difficult to find comparative indicators for these kinds of complex systems, the OECD asked countries which types of employees (civil servants or other public employees) filled which roles (Figure 2.10). The results suggest that in many countries, there are few principles which clearly define roles for civil servants, and roles for other public employees. For example, at senior management levels, 15 OECD countries report both civil servants and other public employees in these posts, while 19 countries reserve these positions for civil servants. Policy development roles are reserved for civil servants in only 17 countries. Legal experts, service delivery employees, IT specialists, and administrative support staff can be employed as civil servants or other public employees in most OECD countries. This kind of blurring of functions and employment contracts suggests that in many countries, the work undertaken may be less of a determinant of an employment contract than other factors, such as historical precedent or administrative efficiency.

The allocation of employment terms and conditions is still a very under-researched phenomenon, and data is scarce; although there is evidence from the SHRM survey that 12 countries report the use of "other public employees" for specific functions as an increasing trend. Estonia and Denmark both present examples of a principle-based approach to determining employment relationships. Estonia distinguishes between core functions and support functions. In Denmark, civil servants are confined to senior managers and judges (see Box 2.14).

#### Box 2.14. The use of "other public employees" in Estonia and Denmark

In **Estonia**, in 2013, a new Civil Service Act entered into force, which also amended the definition of an official. According to the new act, staff responsible for "core functions" (policy making and implementation) are considered officials. Staff responsible for support functions are regular employees, whose employment relations are regulated in the Employment Contract Act. The support functions include accounting, human resource work, records management, activities of procurement specialists, activities of administrative personnel, activities of information technologists and other work in support of the exercise of official authority. The implementation of the new law entailed the decrease of the number of officials as support staff are now considered regular employees.

Persons working in the central government in **Denmark** are, in general, employed under collective agreements or as civil servants. Some individual personnel groups are employed according to regulations, and in a small number of cases, employment is based on individual contracts. Since 1 January 2001, appointment as a civil servant is confined to positions specified in a circular of 11 December 2000, amended by a circular of 17 June 2009, on the application of civil servant employment in the state sector and the national church. Accordingly, it is typically senior managers, judges and police and prison staff who are employed as civil servants. Other groups are typically employed on collective agreement terms. Consequently, over the years there has been a significant drop in the number of appointments as civil servants.

*Source*: Submitted through the 2016 Survey on Strategic Human Resource Management in Central/Federal Governments of OECD countries.

A number of countries have also developed special mechanisms to bring highly skilled individuals into the government at senior levels to work on special projects. The White House Fellows programme is a prestigious example that enables highly skilled people, such as doctors, IT innovators, or business leaders, to work with the highest levels of the White House for a year to advance key projects (see Box 2.15).

#### Box 2.15. US White House Fellows Programme

Adopted in 1965 by the President's Commission on White House Fellowships, the White House Fellows programme is one of America's most prestigious programmes for leadership and public service. White House Fellowships offer exceptional young men and women first-hand experience working at the highest levels of the federal government. Selected individuals typically spend a year working as a full-time, paid fellow to senior White House staff, cabinet secretaries and other top-ranking government officials. Fellows also participate in an education programme consisting of roundtable discussions with renowned leaders from the private and public sectors, and trips to study US policy in action both domestically and internationally. Fellowships are awarded on a strictly non-partisan basis.

Approximately 100 of the most qualified applicants are selected to be interviewed by eight to ten regional panels, which are comprised of prominent local citizens. Based on the results of the interviews, the regional panels and the programme director select approximately thirty candidates to proceed as national finalists. The President's Commission on White House Fellowships then interviews the thirty candidates and recommends 11-19 outstanding candidates to the President for a one-year appointment as fellows.

Source: www.whitehouse.gov/participate/fellows.

#### Developing skills: Training systems and learning cultures

Employee development is a pillar of any skills strategy that requires significant focus, particularly in civil services with high levels of job security and low overall turnover. Learning opportunities have already been highlighted as an important element of both employer branding strategies and competency frameworks. Investing in learning as a core part of a civil servant's job will only become more important given the high speed of change and technological advancement. Lifelong learning will be essential not only to move forward in a career, but also to maintain skills and impact.

Recent OECD research (OECD, 2016b) suggests training budgets were one of the first things to be cut in the wake of the 2008 financial crisis. While budget constraints were significant, such reactions, if sustained over the long term, risk cutting off the civil service's ability to renew and refresh the skills sets it needs to make good policy and implement new services. Reinvesting in civil service learning will require not only training programmes, but also the embedding of learning in the culture and values of the organisation, making it a core responsibility of every public manager.

This section looks at the role of learning and skills development and makes the following key points:

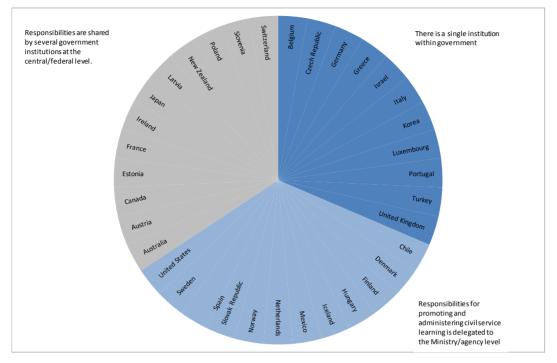
- Different institutional structures exist to manage and oversee civil service training, and various approaches exist to align training at individual organisational and civil service levels. What is important is that training and development is organised and aligned to the core priorities of the civil service, ideally to the civil service vision and competency frameworks identified above, but also to future priorities such as foresight, innovation, and digital skills.
- Countries that combine individual learning incentives (e.g. learning plans linked to performance management processes) and organisational plans (organisational or civil service-wide plans) are more likely to be able to ensure civil servants receive the training they need, and training provision is effectively co-ordinated.
- Developing a learning culture in the public sector will require much more than well-coordinated training. Leadership development and online training are the two highest priorities for OECD countries in terms of learning and development, and these may help, but countries will also need to use a broader range of tools, such as mentoring, coaching, networking, peer learning and mobility assignments to promote learning as a day-to-day activity integrated into the jobs of civil servants.

#### Governance of civil service learning

The institutional oversight of skills development in the civil service tends to fall under the responsibility of the central HR authority in most (21) OECD countries, although in many countries the primary responsibility for training and development is delegated to individual ministries and agencies, making it difficult to get a broad snapshot of the wider landscape (Figure 2.15). In Australia, for example, a Secretaries' Board guides the work programme of the Centre for Leadership and Learning, which is the Australian Public Service's central training institution; while oversight arrangements vary for agency-level learning and training. In Canada, some common learning activities are overseen by the Treasury Board Secretariat and the Canada School of Public Service, while individual departments also play a significant role in training within their organisation.

Moving from the oversight function to the promotion, co-ordination and administration of learning, OECD countries split relatively evenly into three groups. Eleven countries report the existence of a single institution within government; for example, the National School of Administration in Italy, or Portugal's Institute for Public Administration. Twelve countries report shared responsibilities by several governmental institutions, while 12 others report delegation to the ministry/agency level (Box 2.16).

### Figure 2.11. Body responsible for promoting, co-ordinating and administering learning for the central public administration (OECD 35, 2016)



Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

#### Box 2.16. Training institutions in select OECD governments

Australia: The Centre for Leadership and Learning in the Australian Public Service Commission provides learning programmes that develop the capabilities required across the public service. Areas of focus include development leadership capability, management expertise, and core skills for working in government. Agencies choose to use these programmes developed by the Centre for Leadership and Learning on the basis of value for money. Alternatively, agencies may develop their own programmes or engage external training providers.

**Finland**: The Finnish Institute of Public Management Ltd. (HAUS) is an important actor in the field of training. HAUS trains civil servants and improves their skills; it also participates in different ways in developing state administration organisations. Agencies themselves organise a lot of training, or buy it from private firms. Other methods of HRD are even more important than training, including learning on the job and guidance, such as mentoring and coaching. Some agencies have joined forces and train civil servants together. The Office for the Government and the State Treasury play a horizontal role. "Services to the Government" by the Prime Minister's Office (http://vnk.fi/en/services-to-the-government) has a training role inside ministries.

**Hungary**: The Ministry of the Interior is responsible for directing the institutional system of further training for public officials, although the National University of Public Services is generally responsible for developing, planning and implementing further training. The annual training plan is made up of training that fits to the job/competence profile of the public officer. It is administered by the university and the desk officers responsible for training who work at the employee's organisation.

#### Box 2.16. Training institutions in select OECD governments (cont.)

**Ireland**: The Civil Service Renewal Plan aims to establish a new shared model for delivering learning and development for all civil servants, which will be strategically managed by a central Learning and Development Centre. However, until this new centre is established, each department/ministry is responsible for the development of their staff members.

**Japan**: There are two institutions within the government: the Cabinet Bureau of Personnel Affairs and the National Personnel Authority. The Cabinet Bureau of Personnel Affairs is responsible for the co-ordination and promotion of learning, and the National Personnel Authority is responsible for oversight of learning.

**Mexico**: The Ministry of Public Administration designs and makes policies, regulations, general criteria and other regulations in training. Individual institutions promote and manage knowledge development.

**Portugal**: The mission of the Directorate General for Qualification of Employees in Public Functions (INA) is to promote the development and qualification of employees in the civil service through competencies management and the assessment of staff needs regarding the public service mission, objectives, activities and career management. Its roles include, among others: a) co-ordinate human resource development policy implementation in a coherent, integrated and optimised way; b) ensure training planning and management through human resource needs diagnosis; c) define cross-cutting training profiles that promote a diversity of training programmes and styles; d) develop training curricula aligned with services management priorities; e) work with other entities to develop vocational training for public administration to support administrative modernisation. There are also other public and private organisations that administer learning to public employees.

**Spain**: There are several training centres including the National Institute of Public Administration and the Institute for Fiscal Studies. The National Institute of Public Administration co-ordinates across the various bodies.

**Flemish Public Service** (Belgium): Agencies and departments within the Flemish Public Service are themselves responsible for the learning/training of their employees. However, the HR Agency monitors learning/training in the Flemish Public Service. The HR Agency also offers agencies and departments services such as: organisation of training, a catalogue with different relevant training/learning opportunities organised by the HR Agency (mainly, but not only, focused on management and HR, primary target audience), provision of advantageous framework contracts with suppliers of training.

*Source*: Submitted through the 2016 Survey on Strategic Human Resource Management in Central/Federal Governments of OECD countries.

Schools of government may play special roles in overseeing civil service learning and developing future civil servants and/or current and future civil service leaders. An OECD Network of Schools of Government was established to bring together such organisations in OECD member countries and beyond in order to look more specifically at skills needs and development. A survey was completed in 2014 which looked at a variety of indicators, including skills needs and offerings (OECD, 2017b).

Schools of Public Administration, Public Management and Public Policy are another essential group involved with the training of future civil servants. Many of these schools are placing a renewed emphasis on skills related to collaboration and engagement, in addition to traditional approaches to policy making. Box 2.17 highlights a number of collaborations between civil services and universities, ranging from scholarships for PhD studies in Australia, preparatory programmes in France, and executive Masters programmes in the United Kingdom.

#### Box 2.17. Partnership between civil service and universities for skills development in Australia, France and the United Kingdom

In Australia, a flagship programme encouraging a learning culture for skills development is the Sir Roland Wilson Foundation PhD Scholarship Programme. In partnership with the Sir Roland Wilson Foundation at the Australian National University, these scholarships enable a small number of middle management employees to undertake full time PhD studies. Sir Roland Wilson scholars contribute to the Australian public policy debate and research complex topics of national significance.

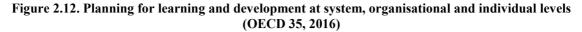
In **France**, the Institutes of Preparation for General Administration (IPAG) within the universities, and the Centres of Preparation for the General Administration (CPAG) within the Institutes of Political Studies, are intended to prepare candidates for access to and careers in the public sector through competitive or contractual recruitment. For the past 25 years, IPAG and CPAG have been preparing students and interns for external competitions, internships or other ways of accessing the public service. The results obtained show the effectiveness, relevance and regularity of these preparations, combining theoretical and practical lessons (training, simulations, etc.) and carried out by academics and professionals from the various public administrations. The 28 institutions of the National Conference of Directors of IPAG and CPAG are linked to universities or Institutes of Political Studies and are spread over the entire territory, including overseas. IPAG and CPAG are, for the most part, authorised to issue degrees of higher education at the Bachelor's and Master's level, and some have developed international collaborations. These institutions are in close partnership with the DGAFP, the schools of the civil service (Network of Schools of the Public Service), and in particular the Regional Institutes of Administration.

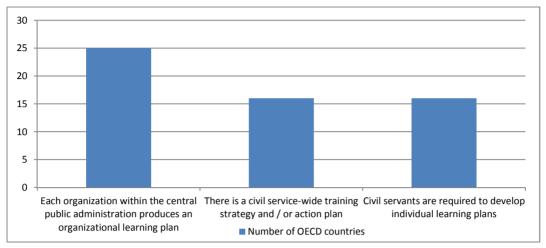
The UK Civil Service has partnered with the London School of Economics (LSE) to develop an Executive Masters of Public Policy degree programme, with an aim to equip senior and high-potential civil servants with "cutting edge" analytical skills. The programme combines LSE academic instruction with practitioner participation from senior civil servants. The partnership model intends to ensure that the programme addresses policy challenges of high relevance to the civil service and to participants <u>www.lse.ac.uk/IPA/EMPP</u>.

*Source*: Submitted through the 2016 Survey on Strategic Human Resource Management in Central/Federal Governments of OECD countries and as case studies by the PEM working party.

#### Planning for learning at the system, organisation and individual level

Learning and development can be organised around the development needs of individual civil servants, to address skills gaps in public organisations, or at the whole-of-government level. OECD countries use these three approaches in various combinations: in 25 countries, organisational training plans are systematically produced for all civil service organisations; individual learning plans for each civil servant are required in 16 countries; and in 16 countries there is a civil service training strategy or action plan to co-ordinate and align training across organisations (Figure 2.12). However there is no clear emerging model of how these work together.





Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

Six OECD countries employ all three tools, which ideally are aligned (United Kingdom, Poland, Korea, Hungary, France and Switzerland), while half employ only one of these planning methods. Only two countries (Greece, Luxembourg) produce civil service wide strategies, while eight countries (Austria, Chile, the Czech Republic, Germany, Latvia, Portugal, Slovenia, and Turkey) require organisational level training plans. Five countries focus on individual level training (Belgium, Denmark, Ireland, Norway, and the Slovak Republic). A number of other combinations exist: seven countries focus on the alignment between a civil service wide strategy and organisational plans (Australia, Estonia, Israel, Italy, Japan, Mexico and Spain), while four countries focus on the alignment of individual and organisational learning plans (Finland, Iceland, Sweden and the United States). Canada is the only country that reports the use of civil service wide strategies and individual level learning plans without organisational plans (Figure 2.13).



#### Figure 2.13. Training plans at system, organisational and individual levels (OECD 35, 2016)

*Note*: Canada = Civil Service Wide + Individual.

*Source*: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

Distinguishing between these three levels may indicate different attitudes towards training and development across OECD countries. For example, countries that employ individual training plans may emphasise development as a responsibility of employees in the management of their own careers, whereas countries that emphasise organisational plans are likely to have delegated training provision to organisations and see training as a requirement to ensure organisational capacity. A number of countries combine these approaches, looking for synergies based on individual need, organisational capacity to meet that need, and government-wide objectives. Korea's Ministry of Personnel Management is charged with setting standards that trickle down through organisations to the individual civil servant (Box 2.18).

#### Box 2.18. Development planning and co-ordination in Korea

Since 1973, the Korean government has used a government-wide HRD strategy, which is applied to all civil servants. Related law and regulations require the Korean Ministry of Personnel Management (MPM) to establish a civil service wide HR development strategy which is applied to all central government ministries and their training institutes. The strategy is updated every year and includes HR development goals, priorities on the year's education and training contents, and guidelines on each ministry and training institute's programmes and policies.

Following the MPM strategy, each ministry develops their own training plan based on research and surveys on HR development needs; this began after the 1998 amendment of the civil service HRD law. MPM supports this process by providing HRD research results, sharing HRD models and practices, providing education modules and materials, and even providing consulting staff. The organisational plan contains the details necessary for operating each ministry's annual training programmes, and includes regulations on staff skills development and the development of an individual self-development plan. The ministries' affiliated training institutes also establish an annual HRD plan. Ministries and affiliated training institutes' organisational training plans are reported to MPM early every year.

While following the organisational training plan, each ministry allows each civil servant to draft an annual self-development plan. Individuals set up annual development objectives, which are harmonised with individual career and organisational target and priorities. After consultation with superiors or HRD officers in each ministry, they're invited to participate in offline or online programmes from diverse training institutes, obtain degrees or certificates, join academic or professional seminars, organise or join study groups, and read work-related books. The ministry monitors each individuals' practice twice a year, and performance is reflected in promotion. It is the responsibility of a division head to monitor and provide the necessary support for their staffs' development achievement.

Source: Korean Ministry of Personnel Management.

### Towards a learning culture in the public sector

Recognising the importance of knowledge in the public service and the speed of change requires the development of a culture of learning in the public service. This means developing organisations that motivate employees to be curious, ask questions, enquire and learn. Organisations must provide quality learning opportunities for all civil servants, and see these as essential components of their profession. Learning must be recognised as part of performance and career advancement.

The amount of training used by civil servants may contribute to a learning culture. Figure 2.14 suggests an overall decline of training time in OECD countries. Between 2010 and 2016, more countries report 1-3 days of training, and fewer report 7-10 days. Many more also indicate that this information is either not available or that it varies considerably across institutions, due, for example, to a decentralisation of this function. Figure 2.14 suggests that as countries recover from the 2008 crisis, training time has not increased. The countries that maintain the highest levels of training time are Sweden (7-10 days), and the United Kingdom, France, Hungary and the Czech Republic (5-7 days).

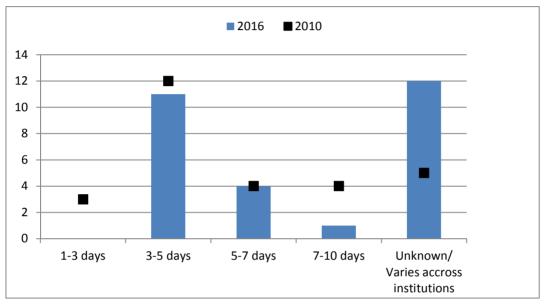


Figure 2.14. Training days used (2010, OECD 35, 2016)

*Source*: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

A learning culture requires much more than access to formal training, and the elements OECD countries prioritise in the field of civil service training and development provide some further insights into how countries are working towards a learning culture. OECD countries are clearly prioritising executive level training and coaching programmes, as well as online course development (Figure 2.15). A second tier of priority includes training for middle managers and digital skills. This tier also includes co-ordination and monitoring mechanisms.

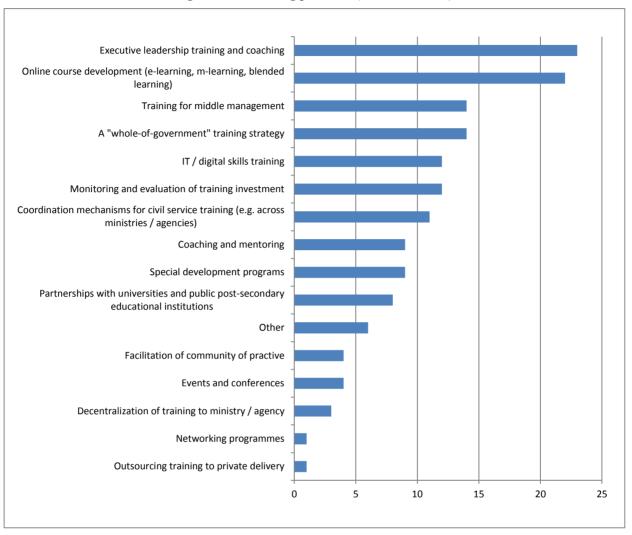


Figure 2.15. Training priorities (OECD 35, 2016)

Source: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

Leadership development is central to all aspects of civil service performance and all four sections of the skills framework described in the first section. It is also consistently identified as a high priority for HRM reform among OECD countries. Executive leadership training ranks top amongst training priorities, and 18 countries report having a specific learning strategy that targets senior managers. Some 23 countries identified leadership development as a top priority for civil service reform overall, with eight countries ranking it as a secondary priority. Only four countries indicated it is not a priority at this time. Prioritising executive leadership training is necessary for building an inclusive high-performance learning culture that makes the best use of skills. Box 2.19 provides examples of the range of programmes offered by various countries, many of which have developed separate programmes targeting middle managers who aspire to senior leadership positions, and those already in such positions.

#### Box 2.19. Leadership development in select countries

Australia's Centre for Leadership and Learning defines leadership as mobilising others to make progress on challenges and setting the culture of their workplaces. Leadership development is self-transformative learning that supports an individual to understand behaviours and consciously apply practices that expand responses and capabilities. Transforming daily leadership practices requires a shift in self-concept as a leader and of leadership itself. Achieving this shift requires sustained effort, ongoing opportunities for practice and experimentation, and time for reflection.

The Centre offers intensive leadership development for the four most senior levels of the hierarchy. All development offered by the Centre is designed so that it: 1) includes opportunities to reinforce learning over time using a range of interventions; 2) balances opportunities for on-the-job learning, peer-based learning and classroom learning; 3) draws appropriately on the Knowing Doing Being Framework (see the APS Leadership and Core Skills Strategy 2014-15); and 4) draws on the best practitioners in their field whose work is recognised internationally.

**Belgium**'s Training Institute of the Federal Administration (TIFA) offers an intensive development programme to managers at all management levels. Within this programme, TIFA aims to empower managers in their own development process by using co-creation. It aims to explore the wealth of experience and know-how already present within the groups by maximising peer learning. TIFA also aims to create a network of managers within and between federal organisations who support one another, give each other advice and share experiences and best practices. Each year, 210 managers in the federal civil service are chosen and grouped according to the challenges they face. The programme consists of 12 days of classroom training over 12 months, and is tailor made to the needs of the group. In all cases, the programme addresses management and leadership skills, especially coaching and feedback skills; raising self-awareness and self-confidence; and networking and community-building.

Belgium also runs a "mindful leadership programme" called In Vivo. This programme targets 220 high level managers every year and includes: 20 days of learning focused on mindful leadership, group dynamics and group mediation, process facilitation, coaching, and organisational development; 7 days of peer coaching focused on mindful leadership and solution focused coaching; 4 days of mindfulness training; and various individual coaching sessions.

The **Canada** School of Public Service delivers modernised executive development learning and leadership training, including programmes for new and aspiring managers and executives. Two new leadership development programmes, one for senior executives and one intermediate executives, were launched in 2016 to accelerate the development of promising executives, particularly those from under-represented groups, including women, indigenous people, and early-career executives. These programmes combine: on-the-job training, formal and informal learning, experiential learning and community building opportunities. Each participant in these programmes has an individualised plan informed by information from talent and performance management cycles and psychometric assessments (track record interview, 360 evaluation, etc.). Learning includes a common learning component over a 12-month period, and on-the-job learning (or job placement) for some individuals. Both programmes maximise exchange between participants, networking opportunities and mentoring relationships. Additionally, participants teach each other by sharing their learning and insights with other public servants via programmes and events.

**Estonia** provides training programmes for middle management and for top managers separately. The Newton programme was created and run by the Top Civil Service Excellence Centre to ensure a highly competent and motivated new generation of top executives in the civil service.

#### Box 2.19. Leadership development in select countries (cont.)

The objectives of the programme are: to systematically develop the management competencies of civil servants with leadership potential and to prepare potential future top executives for the Estonian civil service: to encourage the participants to link their future plans with the civil service and increase their readiness to take on more responsibility in their respective areas of work; and to form common values and develop teamwork skills. The target group of previous Newton programmes had been limited to middle-level managers and top professionals in the civil service; however, this is now being expanded to a wider range of public agencies and organisations. The Newton programme is based on the competency framework of Estonian top civil servants and focuses on the challenges faced by the civil service in an international context. The programme combines theoretical/academic and practical approaches to offer participants the opportunity to learn (knowledge), develop their skills (skills) and become a better leader (attitudes). The programme involves people from the public, private and third sectors, from both Estonia and abroad, to share their knowledge and experiences and act as inspiring role models. The approach to topics and the selection of methods is innovative and diverse, with a particular focus on active learning and teamwork. Participants are offered individual support and advice, as well as feedback, during the entire programme. The programme lasts for about a year (160-180 academic hours).

Middle managers are a priority target group because they are the key players in spreading common values and implementing change in a decentralised civil service. The competency framework of Estonian mid-level managers is based on five core competencies that form the basis for their training and development: 1) area development; 2) leadership; 3) personal development; 4) process management; and 5) communication and co-operation. The programme offers a unique combination of development support, practical exercises and training. It also strives to unify the understanding of the middle level manager role by promoting transorganisational co-operation and creating communication networks. The programme has offered a number of concrete ideas for management improvement in different government institutions. During the programme, participants jointly solve concrete policy-making problems, which contributes to the reforms taking place in real time.

Estonia's Top Civil Service Excellence Centre of the Government Office was established to provide centralised support in relation to the recruitment, selection, development and assessment of 96 top executives in the civil service. In 2015, the Government Office of Estonia, in collaboration with the Ministry of Finance of Finland, launched a one-year joint development programme, Innovation Boot Camp for Public Sector Leaders, with the aim of developing innovation capacity in both public sectors. The results of the programme encouraged the development of a new programme concept for an international target group, in which top executives of central government from four countries are invited to participate. The main aim of the programme is to develop innovation capacity among the top leaders of the public service, thereby fostering new opportunities to solve complex problems and increase the states' strategic agility. The programme focuses on:

- 1. **Enhancing creativity**: challenging top executive approaches to accelerating and leading innovation.
- 2. Leading organisations and networks: redefining a leader's role in innovating public services.
- 3. **Ability to absorb complexity**: providing foresight tools to deepen top executive understanding of current global challenges and common trends for the way we live, design our organisations and support our society.

*Source*: Information provided to the OECD by the delegates of the Public Employment and Management Working Party.

Experiential-oriented learning opportunities, such as coaching and mentoring, events and conferences, communities of practice and networking programmes, appear lower on the list. It is perhaps surprising that while so many countries prioritise leadership development, fewer prioritise coaching, which seems to be an ideal tool for such development. It could be argued that these are the kinds of activities required to transition from traditional training to a learning culture. A comparison of these findings with the competencies prioritised in competency frameworks may provide an opportunity for reflection. Most would likely agree that the top competencies (achieving results, values and ethics, leadership, strategic thinking, communication etc.) would not easily be developed through online courses, but would require a more experiential approach. Box 2.20 shows how coaching across countries has been implemented in the Netherlands and Belgium's Flemish regional government.

# Box 2.20. Coaching as a means to developing top leaders in the Flemish and Dutch civil service

The Flemish Public Service has set up a joint training programme with the Dutch Public Service, whereby top managers are trained in coaching colleagues. This enables cross-border peer coaching, which has a number of advantages, such as allowing peers to draw on a wealth of experience as top managers of public organisations. Sometimes an external perspective is needed to challenge perceptions and to ensure a greater sense of confidential and honest sharing; coaching over the border can appeal to both of these expectations. Through the joint coaching training peers also become familiar with the other country's customs and governance styles.

The coaching approach within the Flemish Public Service is enhanced because coaching has a positive effect on the leadership style and culture in public organisations. Top managers' attitudes towards coaching, learning and development influences the culture of an organisation. Scientific research points out that top managers also benefit themselves from coaching. They become more effective in their daily work and are better able to guide their co-workers. Internal coaching within the Flemish civil service has been more accepted, and the number of internal coaching sessions has increased.

A supportive factor for coaching by top managers is that top managers realised that they also benefited from coaching training and coaching colleagues as it gave them the opportunity to hold a mirror up to themselves, and helped improve their interpersonal skills, listening capability and self-confidence.

It is important that the co-ordinator of the coaching pool invests in the learning process of the top managers/coaches, otherwise they become more advisers then coaches. Installing supervision, workshops and lectures on coaching are necessary.

About 15 employees from the Netherlands and Flanders have been matched to a coach from the other country. The evaluation of the first 10 was very positive and the cultural differences were not an obstacle, and were even found to have a positive effect on their coaching track. Another joined coaching training for top managers from the Dutch and Flemish Public Services is scheduled for 2017.

Source: Submitted by the Flemish Public Service (Belgium).

In Germany, the Federal Academy of Public Administration has established a coaching centre that manages an external coach pool made up of academics or private coaches, and matches public leaders with appropriate coaches depending on their specific requirements. In 2015, the centre facilitated approximately 270 coaching processes

(individual and team). Some ministries (e.g. foreign affairs) run their own coach pool, and many also exist at the subnational/municipal level. Belgium's TIFA offers a programme on lean management for managers that combines three important modes of learning: online, face to face, and more intensive coaching for specific projects (Box 2.21). The Italian region of Lazio has also been using multiple methods for training, including world cafes on digital skills, leadership training and the use of online platforms (Box 2.22).

# Box 2.21. Lean on management and innovation in Belgium's Federal Administration

In the Belgian context of budgetary constraints, efficient management is a top priority. Management techniques and tools are indispensable. The programme by TIFA, the training institute of the Belgian Federal Authority, provides a tailor-made approach for organisations to develop hard skills for managers and management support. Learning takes place in a classroom environment (which is very expensive), as well as online, in the workplace, together with colleagues as experts, and in networks where good and bad practices are exchanged.

For every management technique, TIFA offers three kinds of training: Self Service, Co-Lab and Academy.

**The Self Service** is an open webpage on an e-learning platform <u>www.ecampus.ofoifa.be</u>. Every person wanting to know how a certain management technique is (likely to be) used in the federal administration can access at any time the available reference material in relation to that management technique. All articles, checklists, videos, useful links, exercises and cases are carefully selected by the trainers, who are federal experts, and are relevant for a public context.

The Co-Labs are interactive training sessions of one or two days for federal civil servants who already know the basics of management techniques. These include managers, collaborators of management support teams, and project leaders (or destined to be) involved with management techniques. The main aim is to learn from each other through cases, exercises, feedback and hands on tips. The trainer, who is a federal civil servant and expert, coaches and explains the basics. In order to participate in the Co-lab, an **entry test** is required to prove the civil servant's ability to manage the material of the Self-Service.

**The Academy** offers expert support regarding a concrete project. Project teams can present their project related to a determined management technique. Once selected, a full year of training and intensive support is provided. The result is an implemented project on management techniques for each organisation.

Source: Submitted by the Belgian Federal Administration.

#### Box 2.22. Innovative training methods in Lazio, Italy

The EDU.Lazio Project was implemented by Agency for Public Administration Development (ASAP), an agency of the regional government of Lazio that operates in close connection with the regional office for institutional affairs, human resources and information systems. ASAP provides training for human resource staff in the region to upgrade their skills. It also supports the region's innovation processes in its organisational structure by using advanced methodologies.

The task of the project is to support a strategy for the "sustainability of human resources" by implementing processes aimed at ensuring – over time – communication, training, motivation, involvement, and development of the social and intellectual capital of the region's organisational structure. Three development programmes have been implemented.

## Box 2.22. Innovative training methods in Lazio, Italy (cont.)

- 1. **Olimpo: leadership and governance of internal relations.** This programme was the first Italian experiment of the social enterprise model applied to a public administration. The programme began in May 2015 and ended in October 2015. It was addressed to 167 managers of the regional government of Lazio and was part of an organisational development strategy for regional managers designed to ensure achievement of the administration's strategic objectives. The innovative elements were the use of games as a training tool and Yammer, an online platform designed to encourage co-operation.
- 2. Agorà: talking to the internal and external client. This programme was addressed to regional officials. It was part of a strategy to change culture and management styles, with the emphasis on: becoming more inter-functional; improving dialogue within the organisation among colleagues and with the outside world; creating and exploiting synergies; and developing problem-solving skills in a horizontal and integrated manner. From the methodological standpoint, the use of the "Moodle" e-learning platform proved a useful and innovative teaching tool that enabled the trainees to create a community for discussions, sharing ideas and solutions and accessing learning materials. The numbers confirm that the "Agorà" training programme was successful as it was attended by 1 022 participants, 70% of the target audience.
- 3. World Café for the Digital Agenda. This programme, which involved 1 600 employees from the central and peripheral offices of the region, is part of the strategy for achieving a "Digital Lazio by 2020". The aim of the digital agenda is to turn the regional administration into a body capable of making the most of the opportunities offered by the Internet and technology, with a view to ensuring sustainable and lasting development for its citizens.

The regional digital agenda can be broken down into five areas of intervention, two of which are a top priority for this training initiative: open and intelligent digital administration, and citizenship and digital skills. Through the World Café, the regional government of Lazio offered human resources departments a communication and training project geared to promoting a systemic and massive diffusion of digital agenda issues, focused on participation, openness and co-operation between citizens and administration. The programme began in October 2015 and ended in February 2016. It included 20 World Café sessions, each of which involved about 100 employees broken down into ten groups. Thanks to the facilitation tool, constructive conversations were stimulated on complex projects in a concrete, exciting and productive manner, with a special focus on efficiency of internal processes, involvement of citizens, and improvement of services.

The 1 600 regional employees who participated in this programme offered an abundance of meaningful contributions that were later analysed and summarised by the project team. This material formed the basis of a questionnaire to assess how urgent the various project proposals were perceived. The material was organised and systematically developed into an online questionnaire, made up of 63 items, that was submitted to the participants of World Café for further assessment in terms of urgency, desirability and feasibility.

Source: Submitted by the Italian Ministry of Public Administration.

A learning culture requires more than access to formal training: skills development in the civil service needs to look beyond formal training to include broader learning opportunities and the streamlining of learning into everyday work. This means designing jobs with a view to developing employees' skills, using short-term assignments and mobility to broaden employees' experience, and ensuring that employees are encouraged to exchange ideas openly, through networks, online communities, conferences, etc. Ireland is developing its first civil service HR strategy that will include a pillar to ensure that all people managers understand employee development as a core aspect of their job. (Box 2.22)

The OECD's Observatory for Public Sector Innovation (OPSI) is undertaking work to better understand the factors for effective learning for innovation in public sector organisations. This work underlines the importance of considering the following key points related to an organisation's purpose, as well as its openness, capacity and capability for learning. These points can be used to develop a checklist of elements that contribute to an organisational learning culture (OECD, forthcoming):

- Purpose: without an established purpose, it will be difficult for an organisation to know what it is learning and innovating for.
- Openness: organisations operate in an interconnected world, where more is happening outside than within an organisation. Learning will be enhanced where there is external engagement.
- Openness (diversity): diversity enables learning from different experiences, to come up with new insights and ideas, and to understand the problems where innovation is needed.
- Openness (service orientation): clients/customers/beneficiaries of public sector organisations can be a rich source of learning, and organisations can promote engagement and the use of tools to learn about and from these stakeholders.
- Capacity (absorptive capacity): learning and innovation build on what has gone before, and lessons will only make sense in context and with experience. This suggests the need for moments of reflection based on past experience.
- Capacity (tolerance for risk and failure): some of the best learning comes from experiences that didn't work out as planned. This requires risk management systems which are able to capture lessons effectively.
- Capability (leadership): learning takes time and resources. Leadership at all levels is required to articulate learning as a core priority and provide the space and tools necessary to make it happen.
- Capability (empowerment): learning and innovation depends on some degree of autonomy and empowerment.
- Capability (infrastructure and processes): learning is a core function and needs to be resourced with the right systems, tools and expertise.
- Capability (understanding systems): learning takes place in complex systems. An understanding of the wider systems is needed in order to learn what the underlying problems are and the full impact of responses.
- X-Factor: every organisation is different. There will be something specific to each organisation that will impact the learning and innovation needs.

Several countries are prioritising the development of learning cultures that address many of the themes highlighted by the OPSI report (Box 2.23). These countries generally combine training with broader leadership and governance approaches to position learning as part of everyone's job. For example, Australia combines learning on the job with opportunities for advanced university degrees. The Flemish Government in Belgium has developed events to encourage employees to teach each other.

# Box 2.23. Learning culture development in Australia, Ireland, Finland and Flanders

A number of approaches are being taken to develop a learning culture in the Australian Public Service (APS), including reinforcing the expectation that learning is part of everyone's job in the APS Leadership and Core Skills Strategy. To support the development of a learning culture, the Australian Public Service Commission (APSC) has published a guide to learning on the job, a practical resource to help employees identify suitable and effective workplace development opportunities aligned with their career aspirations and development needs. A learning culture is also nurtured through other post-graduate opportunities, including Masters and Graduate Diploma level qualifications through the Australia New Zealand School of Government and the Public Sector Management Program, respectively. In Australia, there are a number of successful communities for skills development from sharing practices and experiences. The Centre for Leadership and Learning actively supports a number of groups which bring practitioners from across the APS together to share, learn and make progress on common challenges. The Core Skills Reference Group brings together APS learning and development practitioners to workshop solutions for the core skills development priorities. The Talent Management Working Group brings together talent management practitioners to share practices and workshop solutions.

In **Ireland**, the Civil Service Management Board recently approved the new Learning and Development Shared Model, which sets out a new blended approach to learning underpinned by a digital platform supporting administration, delivery and procurement. It includes a civil service Learning and Development (L&D) Centre with responsibility for core L&D policy development and implementation, departmental business partners and decision makers who work collaboratively with the L&D Centre, a new head of L&D role with responsibility for L&D for the entire civil service, and an interactive online L&D delivery and support system. The L&D Centre's responsibilities include compiling statistics and reports on civil service skills, and initiating an annual skills audit and review. Departments are expected to have detailed knowledge on the range of skill sets and capacity within their organisation, and to address the gaps while drafting their workforce plan.

Since the **Finnish** government administration is based on a position system (open recruitment) there cannot be any kind of formal career management that identifies potential early in an employee's career. However, the government encourages civil servants to develop themselves and be mobile. In this regard, the Ministry of Finance organised a special Future Leaders training programme for government administration managers in order to enhance common corporate culture. In general, participants are considered to be potential future leaders. The programme is also targeted at senior civil servants who have recently being nominated to their offices, and especially those who have come from outside the government administration. The Ministry of Finance has organised 10 Future Leaders courses with more than 280 participants since 2008. The programme was evaluated in 2015 and received excellent feedback from participants and other interest groups. In 2016, the ministry decided to reform the programme and organise two pilot programmes with different course structures and training methods. The main reasons for this reform were: 1) to get more impact through more participants (50 participants in a year instead of previous 25); 2) to update the contents considering the big changes in the operating environment; and 3) to experiment and design new training methods and tools. On the basis on these pilot programmes, the ministry organised a new programme in 2017. The main goals of the new Future Leaders programme are to strengthen professional management and strategic competencies, to strengthen the value basis and common starting points among the civil service, and to promote courageous leadership and sensitivity to the future.

# Box 2.23. Learning culture development in Australia, Ireland, Finland and Flanders (cont.)

The **Flemish** Public Service (Belgium) arranges an annual "Train your colleague" week. The aim during this week is for staff members to follow knowledge-sharing sessions designed by one of their colleagues. The idea is very simple, as everybody has work-related knowledge, experience and talents from which colleagues can learn. Train Your Colleague stimulates staff members to teach their colleagues something about a work-related subject that is important to them through short initiatives. In 2014 and in 2015, 22 organisations and the Flemish Parliament participated in Train Your Colleague week. Some 200 knowledge-sharing sessions were organised each time, reaching more than 1 000 staff members. The sessions organised were gradually opened to colleagues from other organisations within the Flemish Public Service. In 2015, half of the sessions were open to participants from the whole Flemish Public Service.

Source: Case studies provided by delegates of the Public Employment and Management Working Party.

#### Using skills: Getting the most from investments in skills

Once skills are identified, acquired and developed, they will not have an impact unless they are deployed in a system designed to make use of them. A well-known theory of human performance says employees need three things in order to perform well: abilities, motivation and opportunity. Most of this report has focused on the first two, but without consideration of the second two, skills will not translate to performance.

Recent OECD research on productivity in national economies emphasises two significant relevant findings. First, skills match is a significant concern, and getting the match right at the firm level can have an impact on productivity (OECD, 2015). According to analysis conducted by the US Partnership for Public Service in 2016, only 56 % of US federal employees agreed that their talents are well used in the workplace, which is a concern given the private sector scores, on average, over 20 points higher.<sup>3</sup>

In another study (OECD, 2016c), the OECD finds that rather than the abundance of skills in an economy, industry or firm that drives productivity, it is how intensively those skills are used. One of the highest predictors of skills use is the existence of high performance work practices, which include workforce management practices such as, "the extent of team work, autonomy, task discretion, mentoring, job rotation and applying new learning [which] influences the degree of internal flexibility to adapt job tasks to the skills of new hires" (OECD, 2016c: 96).

This highlights a key challenge for all organisations, but one that may be particularly difficult for public sector bureaucracies: how to make the best use of the skills they have once they are attracted and developed? This section raises a number of ideas to address this question, and makes the following key points:

- Skills match is very difficult to assess, but some countries are using employee surveys as a source of insight. Employee surveys can also provide insight into a range of other factors related to skills use, such as engagement and workplace health issues.
- Mobility and agility are important factors. Ensuring opportunities for horizontal mobility enables some skill sets to be shared across institutions, while vertical mobility through career paths can help to ensure that people with in-demand skill

sets are organised in ways that allow them to develop, grow and put their skills to best use. Some civil services have developed shared talent pools to ensure that hard-to-find skills are available, even if temporarily, across the whole civil service.

• Talent management programmes and the use of high performance work practices are possibly the most valuable, but the hardest to implement as they rely fundamentally on the quality of the management cadre in the civil service.

## Assessing skills mismatch and employee engagement with employee surveys

All but 5 OECD countries use some form of employee survey, although only 14 countries are using their employee surveys to identify skills mismatch. For example, to assess if the Government of Canada is putting skills to best use, the Office of the Chief Human Resources Officer has conducted the Public Service Employee Survey every three years since 1999. The survey measures employees' opinions in relation to employee engagement, leadership, the workforce and the workplace. Employees are asked whether their job fits with their skills, whether they receive the training they need, and whether they think that the people hired can do the job (Figure 2.16).

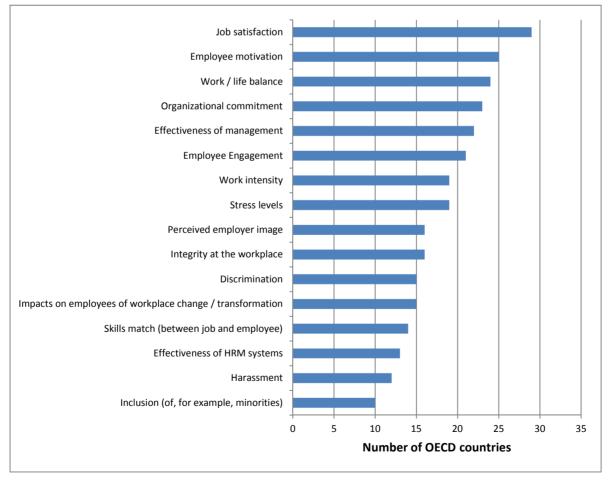


Figure 2.16. Employee surveys: Areas of focus (OECD 35, 2016)

*Source*: OECD (2016a), Survey on Strategic Human Resources Management in Central/Federal Governments of OECD Countries, OECD, Paris.

Employee surveys not only have the potential to assess skills mismatch, but may also gauge workplace health and inclusion, balance of work and life, and employee engagement. Each of these themes indicates employees are able to contribute their skills, knowledge and energy in a positive way to their work environment. OECD (2016b) explores how employee engagement contributes to civil service performance. The report suggests leadership and management capability on the one hand, and modern, integrated HRM on the other, play an essential role in promoting employee engagement to create an atmosphere where employees are supported to perform at their best. While the knowledge base for this type of evidence-driven HRM is still young, this report presents some good practices and strategies for addressing and improving engagement:

- Regular employee surveys to measure and benchmark engagement and its drivers.
- Customised reports for managers that benchmark their units' scores against similar units, their organisation, and the civil service average.
- Follow-up processes to develop action plans endorsed by individual managers, with support from engagement specialists in central units (e.g. HRM authority). To be successful, such plans generally need to include:
  - Clear and transparent commitment and accountability from the top leadership of the organisation.
  - Good two-way communication between employees and management through multiple channels.
  - Meaningful opportunities for employees to contribute to workplace improvements.
  - Support to managers to develop action plans that improve their relationship with their employees.
  - HRM policies, strategies and tools which support employee well-being, development and performance at all stages of the career cycle.

# Mobility and agility

Workforce agility can help to match skills with positions by ensuring civil service systems can effectively (re)allocate human capacity to emerging needs. Workforce agility depends on effective workforce planning mechanisms and internal mobility, which remain a challenge to promote effectively. In 2016, most (27) OECD countries reported plans to increase internal mobility within their public administration, although only 12 reported an actual increase of internal mobility between 2010 and 2016. Of the 27 countries planning to increase mobility. 14 plan to use incentives and promote the recognition of benefits of mobility. However, fewer countries have made lateral mobility a prerequisite for upwards mobility: 10 reported mobility as an important factor for promotion to senior management, eight to middle management, and only six countries suggested mobility is a factor for promotion in professional positions. Some countries have developed specific rotation programmes, described in Box 2.24, with a view to both developing skills and matching people with skills to the right jobs.

#### Box 2.24. Mobility and rotation programmes

Interchange **Canada** is a mechanism to facilitate mobility and temporary skills exchange between the Government of Canada and all other sectors of the economy, domestically and internationally. Assignments are for the purpose of knowledge transfer, acquiring specialised expertise, and/or professional development. The Interchange Canada Policy has been used to facilitate movement between the federal government and provinces or territories, private business, non-profit organisations, academia, and aboriginal organisations both within Canada and internationally. Interchange assignments can be used to develop leadership competencies through the use of assignments to organisations where specific experience could bridge the skills-building gap. Interchange Canada can serve as an excellent means of temporarily attaining skills unavailable in the home organisation and for building and transferring knowledge to enhance internal capacity both within government and in other sectors. Furthermore, Interchange Canada directly supports several government priorities such as recruiting mobile young professionals, attracting mid-career specialists, and increasing interaction with non-government organisations.

**Denmark**'s National Centre for Public Sector Innovation (COI) organised its first national innovation internship in September 2015. Knowing that innovation is best diffused through personal meetings, the national innovation internship works as an infrastructure for organising these meetings. In 2015, nearly 100 employees across all levels of government participated in internships lasting 2-5 days with the aim of intensive learning of how other public workplaces solve their tasks. Aside from the matchmaking, the COI's focus has been on creating the best circumstances for the diffusion of innovation by organising preparatory and follow-up workshops to enhance the likelihood of changed behavior, and for innovative solutions to find new breeding grounds.

www.coi.dk/hovedaktiviteter/innovationspraktik.

**Israel's** rotation system, which is currently going through a process of formation, is relevant for senior staff managers. These include deputy director generals or positions at the equivalent level, as well as various pivotal positions predetermined according to government decisions. Senior managers hold their positions for six years, after which they change positions. The aim is to create a special reserve of qualified people from across the civil service specifically for these positions, tracking them down in a unique process. Civil servants chosen for this track go through relevant training with close connection and guidance from the Civil Service Commission and relevant ministries.

The rotation process, when looking to man different positions at the civil service, consists of three stages: 1) people who finish their six-year term and qualify (according to different criteria) to be reassigned to a certain position can apply; 2) positions that didn't man at the first stage now open to people who finished their six-year term (who were not transferred at the first round because they did not qualify for an immediate transfer), along with civil servants from lower positions; 3) positions that were not staffed will be open to qualified applicants from outside the civil service.

Source: Information provided by delegates to the Public Employment and Management Working Party.

## Functional professions, career paths, communities of practice

Some governments have established specific professions, or communities of practice for common government functions (e.g. HR, ICT, regulators). This approach can enable better management over these functions and ensure specialists in these fields have opportunities to work horizontally. They can also help to define career paths that encourage continuous skills development. For example, the United Kingdom has established a functional model that identifies 10 cross-governmental functions. Common standards and skills profiles are being developed for each function. Ireland is developing career paths for their HR professionals, which, once established, may prove to be a model for other professions, including ICT. Estonia has a long-term practice of administering civil service co-operation networks of HRM managers and specialists. There are several regular network activities and events that provide a platform for sharing best practice and discussing ongoing reform initiatives.

Some skill sets can be organised centrally and managed as a government-wide resource. Various approaches to shared service centres and functional centres of expertise are being implemented for certain technical functions and those that have a more natural horizontal fit. These can be static (e.g. data warehousing) or dynamic (e.g. mobilising legal drafters to departments with big reform programmes planned). For example, 27 countries report the existence of one or more centralised unit to support public sector innovation in civil services. Centralising the use of some skills sets and making them available to the civil service more broadly may be an effective way of managing scarce skills across organisations. Online platforms can help identify and manage skills pools (Box 2.25).

# Box 2.25. Online platforms to make the best use of public skills in Belgium, Canada, and France

Radar, the loaning service for talent, is a platform that brings together the supply and demand for temporary assignments. All staff members of the **Flemish** public service can create a profile and enter their talents. In addition, Flemish public service administrations can create and launch assignments. All assignments have a temporary character. The size of the assignments differ, and interested staff can do something different either permanently during a certain period or for a certain percentage of the time. Radar works without mediation: thanks to a contemporary design with an easy-access social-media experience, supply and demand find each other. Staff members respond to published assignments are made including the evaluation of the staff member and discussions concerning the length, form, remuneration and employment conditions of the contract. Radar starts from a talent approach, with staff members entering their skills. In response, they can either be contacted or can search for assignments that match their talents. The focus is not on doing something different, but on learning and taking the insights acquired into a job.

"Jobs Marketplace" is a newly launched public service-wide Internet forum that serves as a "one-stop shop" for employees to network professionally across the **Canadian** departments. It is intended for staff mobility, as well as casual employment, students seeking employment opportunities, micro-mission opportunities and a reference page to other sources of talent that managers and human resource professionals can explore, including active pools of pre-qualified employees from across the public service. Jobs Marketplace can also be used as a tool to facilitate alternations during workforce adjustment situations. Jobs Marketplace will soon include an automated matching tool, the Career ConneXions Opportunities Platform. This is a tool that quickly matches opportunities with talented employees by leveraging the content in employees' online profiles.

"SCORE" is the portal aimed at those who wish to join the **French** State civil service and agents looking for professional evolution. It contains information on the different ways of recruitment by competitive examination (external, internal, third competition, professional competition, competition on title and works, single competition) or professional examination, on recruitment without competition, and by way of "access to the careers of the territorial, hospital and state civil service (PACTE)", as well as the trades offered by the civil service of the state.

# Box 2.25. Online platforms to make the best use of public skills in Belgium, Canada, and France (cont.)

In addition, it allows access to BIEP (the Interdepartmental Public Employment Fellowship that identifies all vacancies in the French civil service) via a link in order to consult the corresponding job offers accessible by contract or by mobility for civil servants. The aim of this tool is to better meet the needs of the civil service in terms of skills by facilitating the match between jobs and profiles, which is necessary for a performing civil service. BIEP facilitates mobility, and thus the diversification of a civil servant's career path by giving access to all interdepartmental job offers.

*Source*: Information provided to the OECD by delegates to the Public Employment and Management Working Party.

#### Talent management

Talent management is a concept in people management that brings together many of the themes above into a coherent, future-oriented system. It is about identifying employees with high potential and ensuring they are developed and assigned to stretch positions that put their talent to best use and enable them to grow. Good talent management can result in the better retention of talent and ensure investments in the development of high potential accrue back to the public service by reducing the need for costly hiring. This can be particularly important during times of budgetary constraints to counterbalance the loss of top talent through, for example, voluntary departure schemes.

Talent management is different from the way most civil services approach career development as it emphasises career progression based on future potential, not only past performance. Past performance is not always an indicator of future potential, and this approach helps to avoid situations where employees are promoted into positions for which they are not ready. Good talent management also recognises not all careers need to progress upwards, but employees may wish to move laterally to keep their motivation high.

A number of OECD countries are implementing talent management approaches. In Canada's federal public service, deputy ministers meet annually to discuss talent management and consider promising leaders' career progression across the public service. The Australian Public Service Commission has developed a talent management guide for its ministries and agencies and advises the establishment of talent councils in each organisation. (Australian Government, 2015). The Flemish regional government in Belgium has conducted various pilots related to talent management for its employees (Box 2.26).

## Box 2.26. Eight pilot projects around talent in the Flemish public service

In September 2015, eight pilot projects began in organisations that wished to use talent driven working to help solve organisational issues. The HR business partner supervised the projects and received support from the HR Agency and external experts. The eight pilot projects met these criteria:

- Reflected the vision of talent policy of the Flemish Public Service.
- There was a commitment between the manager, the HR business partner and the staff members involved to learn from the project and share experiences.
- Two participants from each pilot project took part in the learning network and committed, as ambassador of the project, to documenting and communicating what they learned.
- The pilot project offered sufficient learning opportunities for talent-driven working within the Flemish public service and differed sufficiently from other pilot projects in theme and focus.

The pilot projects ran until June 2016.

Learning network

The managers and HR business partners involved in the pilot projects formed a learning network that met six times and shared experiences, insight and knowledge acquired.

Impact study on talent-driven working

To learn what works in the area of talent-driven working for tackling organisational issues, the HR Agency also set up an impact study that took place throughout the summer of 2016. The eight pilot projects were involved in this impact study. The aim was to harvest the learning results from the experiments and to see what worked in a stimulating or restrictive way on deploying talent-driven working within the entities.

Talent labs for HR employees.

What is talent and how do I detect it? How do I support managers in the development and deployment of talent? How can I help create a talent-driven climate in my organisation? What is the relationship between talent and output management? How do you do job-crafting?

To help give HR employees an answer to these and other questions concerning talent, the HR Agency organised a series of six Talent Labs between mid-2015 and mid-2016. These were half-day sessions in which one theme or approach concerning talent took a central place. The aim of the sessions was to strengthen the substantive knowledge about talent among HR employees. In these interactive sessions, theory and practice were linked with each other.

*Source*: Information provided by the Flemish delegate to the Public Employment and Management Working Party.

# High performance work systems

The OECD's Survey of Adult Skills (OECD, 2016c) finds the design of jobs and the choice of management practices influence the extent to which skills are used in the workplace. The Survey assesses the extent to which reading, writing, numeracy, ICT and problem-solving skills are used in (public and private sector) workplaces. It finds high-performance work practices (HPWPs) are among the strongest predictors of skills use. The HPWPs they measure include:

- Whether employees have flexibility in deciding on the sequence of tasks, and how they do the work.
- How often employees organise their own time and plan their own activities; cooperate or share information with others; and instruct, teach or train other people.
- Whether employees participated in education/training in the previous 12 months.

This leads the authors to conclude, "the way work is organised – the extent of team work, autonomy, task discretion, mentoring, job rotation and applying new learning – influences the degree of internal flexibility to adapt job tasks to the skills of new hires... Many countries have put initiatives or policies in place to try to promote better skills use through workplace innovation. They recognise that adopting modern leadership and management practices in the workplace can create opportunities for workers to better use their skills, and that productivity gains can be achieved by engaging workers more fully" (OECD, 2016c: 116).

It is not possible to determine the extent of these practices in central public administrations through the Survey of Adult Skills, however, the 2016 Strategic Human Resources Management (SHRM) survey indicates some civil services are putting in place some of these practices. For example, in the context of promoting public sector innovation, 22 OECD countries indicated the use of autonomous, multidisciplinary teams, and 20 indicated the use of innovation-oriented peer learning. Additionally, most civil servants have participated in some form of training in the last 12 months. However, it appears the large-scale adoption of HPWPs in most public sector organisations is rare.

As civil services in OECD countries undertake the transformations necessary to compete for talent and respond to the changing expectations of the citizens they serve, they will need to reconsider not only the skills in their workforce, but also how to design work systems that put those skills to best use. This is essential for employee retention. Providing employees the autonomy implied by HPWPs also means investing in trust within the organisation and updating management and leadership styles focused on results.

#### Leadership commitment and management capability: The ultimate keys to success

Chapter 2 of this report has identified a great deal of activity underway in OECD countries to improve their strategic HR systems. Some countries are leveraging data to help identify skills gaps and plan for the future. Some have invested in faster and more refined recruitment systems and are taking a multidimensional approach to build a learning culture in their organisations. Although it is important to have well-functioning HR systems, if they do not have highly capable and effective leaders and managers they will only produce disappointing results.

Leadership development is a very high priority amongst OECD countries, and this chapter has highlighted various promising programmes and developments. However, developing the right leadership styles and behaviours will take more than training programmes; there also needs to be a systematic approach. Leadership commitment is essential for any reform to achieve its intended goals, and HR reform is no exception. Therefore commitment to workforce development at the highest levels of the administration is a prerequisite for any of the reforms discussed in this report to produce impact. However, the 2016 SHRM survey suggests workforce development is still among the lowest priorities for senior civil servants.

Middle managers also play a vital role, particularly in large organisations such as civil services. Middle managers need to be based on future management potential (as opposed to performance in their previous position) and need to be supported appropriately as they transition to management roles. Their development should include appropriate training measures based on a common leadership framework and values statements. Access to support from coaches, mentors and management specialists, as well as a network of peers who can provide guidance based on personal experience, can help to ensure they are equipped to manage their employees and advance in their careers.

# Notes

- 1 The complete list of the 15 high-risk areas where skills were identified are: Management of Federal Oil and Gas Resources; Managing Federal Real Property; Improving the Management of IT Acquisitions and Operations; Department of Defense (DOD) Business Systems Modernization; DOD Financial Management; Strengthening Department of Homeland Security (DHS) Management Functions; Ensuring the Security of Federal Information Systems and Cyber-Critical Information and Protecting the Privacy of Personally Identifiable Information; Protecting Public Health through Enhanced Oversight of Medical Products; Transforming the Environmental Protection Agency's (EPA) Processes for Assessing and Controlling Toxic Chemicals; DOD Contract Management; Department of Energy (DOE)'s Contract Management for the National Nuclear Security Administration and Office of Environmental Management; National Aeronautics and Space Administration (NASA) Acquisition Management; Enforcement of Tax Laws; Managing Risks and Improving Department of Veterans Affairs (VA) Health Care; and Improving Federal Management of Indian Programs.
- 2 Note that these would not include privately contracted consultants who would not be considered "employees" of the state.
- 3 <u>http://bestplacestowork.org/BPTW/analysis/#privatesector-scores</u>

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